



REGULAR MEETING AGENDA – AMENDED

Date: 4/12/2022
Time: 6:00 p.m.
Location: [Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409

This amended agenda includes the removal of item E2.

NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

Consistent with Government Code section 54953(e), and in light of the declared state of emergency, and maximize public safety while still maintaining transparency and public access, members of the public can listen to the meeting and participate using the following methods.

How to participate in the meeting

- Submit a written comment online up to 1-hour before the meeting start time:
city.council@menlopark.org *
Please include the agenda item number you are commenting on.
- Access the meeting real-time online at:
[Zoom.us/join](https://zoom.us/join) – Meeting ID 831 3316 9409
- Access the meeting real-time via telephone at:
(669) 900-6833
Meeting ID 831 3316 9409
Press *9 to raise hand to speak

*Written public comments are accepted up to 1-hour before the meeting start time.

- Watch meeting:
 - Cable television subscriber in Menlo Park, East Palo Alto, Atherton, and Palo Alto:
Channel 26

Note: City Council closed sessions are not broadcast online or on television and public participation is limited to the beginning of closed session.

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website www.menlopark.org. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.org/agenda).

According to City Council policy, all meetings of the City Council are to end by midnight unless there is a super majority vote taken by 11:00 p.m. to extend the meeting and identify the items to be considered after 11:00 p.m.

Regular Session ([Zoom.us/join](https://zoom.us/join) – ID# 831 3316 9409)

A. Call To Order

B. Roll Call

C. Agenda Review

D. Presentations and Proclamations

D1. Proclamation: April as National Poetry Month ([Attachment](#))

E. Closed Session

E1. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code § 54956.9)
Michael Zeleny v. Rob Bonta, et al (Case No. 17-cv-07357-RS)
Claimant: Michael Zeleny

~~E2. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 of the
Government Code: (one potential case)~~

E3. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: David Fogel et al. v. City of Menlo Park, Case No. 21-CIV-06674

F. Report from Closed Session

G. Study Session

G1. Provide direction on developing a partnership agreement with BlocPower to support implementation of the 2030 Climate Action Plan through a voluntarily building electrification program ([Staff Report #22-060-CC](#)) ([Presentation](#))

H. Public Comment

Under “Public Comment,” the public may address the City Council on any subject not listed on the agenda. Each speaker may address the City Council once under public comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The City Council cannot act on items not listed on the agenda and, therefore, the City Council cannot respond to non-agenda issues brought up under public comment other than to provide general information.

I. Consent Calendar

I1. Accept the City Council meeting minutes for March 2, 2022 ([Attachment](#))

I2. Adopt a resolution to continue conducting the City’s Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings ([Staff Report #22-061-CC](#))

- I3. Approve increased compensation for interim city manager services ([Staff Report #22-062-CC](#))
- I4. Authorize the Mayor to Join the Race to Zero ([Staff Report #22-063-CC](#))
- I5. Authorize the city manager to enter into a contract with Dudek to prepare an environmental impact report and housing needs assessment for the proposed life science project at 1005 O'Brien Drive and 1320 Willow Road for the amount of \$244,863 and future augments as may be necessary to complete the environmental review and housing needs assessment for the proposed project ([Staff Report #22-064-CC](#))
- I6. Adopt a resolution accepting and appropriating a San Mateo County Summer 2022 Enrichment Grant in the total amount of \$33,152 to support and expand summer camp enrichment programs for children at the Belle Haven Youth Center ([Staff Report #22-065-CC](#))
- I7. Receive and file 2021 priorities, work plan quarterly report as of March 31, 2022, and advisory body work plan update ([Staff Report #22-066-CC](#))

J. Regular Business

- J1. Receive and file report on labor relations and receive public input on upcoming labor negotiations with Menlo Park Police Sergeant's Association ([Staff Report #22-059-CC](#))
- J2. Adopt resolutions authorizing the issuance of 2022 General Obligation Refunding Bonds and 2022 General Obligation Bonds for the purpose of renovating and expanding the City's parks and recreation facilities and approving related documents ([Staff Report #22-067-CC](#)) ([Presentation](#))
- J3. Discussion on and direction to staff regarding potential residential zoning changes ([Staff Report #22-068-CC](#))

K. Informational Items

- K1. City Council agenda topics: April – May 10, 2022 ([Staff Report #22-069-CC](#))
- K2. Menlo Park Community Campus draft operation plan milestones ([Staff Report #22-070-CC](#))
- K3. Gymnastics program reactivation capacity and timeline update ([Staff Report #22-071-CC](#))

L. City Manager's Report

M. City Councilmember Reports

N. Adjournment

At every regular meeting of the City Council, in addition to the public comment period where the public shall have the right to address the City Council on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Council on any item listed on the agenda at a time designated by the chair, either before or during the City Council's consideration of the item.

At every special meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.org. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at menlopark.org/agenda and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 4/8/2022)

APRIL AS NATIONAL POETRY MONTH

WHEREAS, the Academy of American Poets established the month of April as National Poetry Month in 1996; and

WHEREAS, National Poetry Month seeks to highlight the extraordinary legacy and ongoing achievement of American poets; introduce Americans to the pleasures and benefits of reading poetry; bring poets and poetry to the public in immediate and innovative ways; make poetry an important part of our children's education; and

WHEREAS, as National Poetry Month, under the leadership and direction of the Academy of American Poets, is now the largest literary celebration in the world; and

WHEREAS, poetry enhances and enriches the lives of all Americans; and

WHEREAS, poetry, as an essential part of the arts and humanities, affects every aspect of life in America today, including education, the economy, and community pride and development; and

WHEREAS, poetry has produced some of the nation's leading creative artists and has inspired other artists in fields such as music, theatre, film, dance, and the visual arts; and

NOW, THEREFORE, BE IT PROCLAIMED, that I, Betsy Nash, Mayor of the City of Menlo Park, on behalf of the City Council and City, do hereby proclaim April 1 through April 30, 2022 as National Poetry Month. I call upon public officials, educators, librarians, and all the people of Menlo Park to observe this month, to celebrate the cultural riches our community has to offer, and to recognize the important role poetry in creating and sustaining this great nation with appropriate ceremonies, activities, and programs.

DocuSigned by:
Betsy Nash
415f4b2160be480
Betsy Nash, Mayor
April 12, 2022



STAFF REPORT

City Council

Meeting Date:

4/12/2022

Staff Report Number:

22-060-CC

Study Session:

Provide direction on developing a partnership agreement with BlocPower to support implementation of the 2030 Climate Action Plan through a voluntarily building electrification program

Recommendation

Staff recommends that the City Council direct staff to prepare a partnership agreement with BlocPower to consider at a future City Council meeting and review the draft roles and responsibilities, scope of work, and operations plan as a starting point for negotiating an agreement (Attachments A and B.)

Policy Issues

The City Council declared a climate emergency (Resolution No. 6535) committing to accelerating actions to address climate change at a local level and adopted a 2030 Climate Action Plan (CAP) with the bold goal to be carbon neutral (zero emissions) by 2030. One of the six 2030 CAP strategies aims to electrify 95 percent of existing buildings by 2030, and remains a top priority in the City Council 2021 work plan.

Background

Electricity procured for Menlo Park is greenhouse gas (fossil fuel) free through the city's participation/membership in Peninsula Clean Energy (PCE.) Over 98 percent of households and businesses are enrolled with PCE. Greenhouse gas free electricity provides an opportunity to eliminate the use of natural gas (a fossil fuel contributing to climate change) in buildings and gasoline/diesel used for transportation. In 2019, natural gas consumption in buildings accounted for 41 percent of Menlo Park's greenhouse gas emissions, and vehicle gasoline and diesel fuel usage accounted for 48 percent of emissions.

Electrifying Menlo Park's buildings and vehicles will be a key factor to reach carbon neutrality in the next eight years (2030), and is included in Menlo Park's 2030 CAP under strategy goal No.1 (electrify existing buildings) and No.3 (increase electric vehicle infrastructure.) The city has already made progress by requiring new buildings to be all-electric in 2020 (including electric vehicle charging equipment requirements adopted in 2018), but these measures will not be enough for the city to reach its goal. Existing buildings in Menlo Park are still consuming natural gas and lack of at-home charging for existing multiunit properties is a barrier to purchasing and continuing to use electric vehicles.

The city will need to use a combination of incentives, programs, education, and regulations to transition the existing building stock in Menlo Park to be all-electric and support at-home electric vehicle charging. Appropriately sequencing these strategies is recommended to address equity issues, costs and challenges to electrification. Challenges include:

- Lack of a one size fits all approach due to the diversity/age of the existing building stock
- Prioritizing building health, safety, energy efficiency, energy resiliency (solar and battery storage) to support cost effective electrification projects and address past unsafe or unhealthy building conditions
- Varying degrees of cost effectiveness from upfront costs to utility bill impacts depending on equipment, electricity costs and climate zone
- Readiness/availability of electrification market and contractor knowledge

On August 31, 2021, the City Council received a cost effectiveness and policy options analysis to electrify existing buildings, and directed staff to work on five tasks:

1. Allow utilities user tax (UUT) to be collected at voter-approved levels (City Council action required) and establish a dedicated fund to support building decarbonization. In February 2022, the City Council directed staff to discontinue this work.
2. Identify partners for funding and financing programs, including a specific low-income turnkey program
3. Develop program proposals to reduce "hassle factor" for building owners
4. Begin formal public engagement immediately
5. Develop long term plan/roadmap to meet CAP No.1 goal to electrify existing buildings

Tasks 2 and 3 above are most relevant to a potential partnership with BlocPower in providing turnkey electrification and hassle free experience for building owners that want to voluntarily electrify.

BlocPower is a privately held startup company with a mission to rapidly green American cities. Since its founding in 2014, the company has completed energy projects in over 1,200 buildings. BlocPower uses proprietary software for analysis, leasing, project management, and monitoring of clean energy projects and provides customer savings in the range of 20-40 percent. The company is backed by investors such as Goldman Sachs, Kapor Capital, Microsoft's Climate Innovation Fund, Andressen Horowitz and American Family Insurance Institute for Corporate and Social Impact. They have been working largely on the East Coast but have established an office in the Bay Area.

BlocPower could provide Menlo Park a turnkey electrification program that includes project management, incentive coordination, contractor and equipment procurement, and financing (if desired) to all building owners in Menlo Park. BlocPower can also support building owners on other sustainable projects such as energy efficiency, renewable energy/battery storage, electric vehicle charging, and/or address the health and safety needs of a building. By being a one-stop shop for building owners, they help reduce the challenges experienced by building owners that want to voluntary electrify. BlocPower's mission also includes developing local workforces that enable people of color or low-income workers to access high paying jobs or establish a business that supports decarbonization.

The City of Ithaca (New York) is one of the first cities to partner with BlocPower, and a formal agreement is anticipated in the coming months. Ithaca launched a procurement process in August 2021 and selected BlocPower as the provider for a turnkey electrification program for their community. Over the next eight years, BlocPower will be supporting 6,000 building owners in Ithaca to voluntarily electrify their buildings. The public-private partnership has mutual benefits. BlocPower can leverage its partnership with Ithaca to negotiate discounted electric equipment pricing for the community, administer incentive programs easily, and develop the necessary workforce to streamline projects. In turn, this can remove a lot of the "hassle factor" for building owners to electrify cost effectively and easily.

The Environmental Quality Commission has not reviewed the BlocPower proposal at this time, but Commissioner Evans and nonprofit Menlo Spark have been supporting/coordinating with BlocPower on a potential partnership with the City of Menlo Park. Commissioner Evans and Menlo Spark are also actively

working to access philanthropic funding to support BlocPower's resource needs. As a result, there is no direct cost for the city to enter into a partnership with BlocPower, and as such, there would be no need for a procurement process. However, as with other communities partnering with BlocPower, in-kind staff support is necessary.

Analysis

Proposal

The city could consider entering into a multiyear partnership agreement with BlocPower to support building owners that want to voluntarily electrify their buildings. All building types would be eligible. The initial partnership terms are included in Attachment A and replicate the City of Ithaca's terms. A final agreement is still pending in Ithaca. BlocPower has also drafted an operations plan for the next three years (Attachment B.)

City staff's role could include:

- Marketing BlocPower's program using existing city communication platforms (e.g., weekly digest, Nextdoor, city website, social media, etc.)
- Approving using the city's logo on certain marketing materials
- Providing support with coordinating community meetings
- Supporting BlocPower in building relationships with community leaders and other organizations/partners (e.g., PCE, state agencies)
- Being a liaison to support BlocPower in navigating the city's building permit process
- Other tasks could include collaborating on grant funding, workforce development, securing manufacture equipment discounts, etc.

The amount of staff resources required would need further analysis once a final agreement and operations plan is negotiated and would be included as part of City Council's decision to partner with BlocPower at a future meeting. For reference, the City of Ithaca is planning to hire one full time staff member to manage the partnership along with six dedicated volunteers.

How does BlocPower work?

BlocPower has developed an independent website for Menlo Park that would act as a registration and information portal for building owners. See Attachment C for the website. The city website would provide a link to this independent website.

Once a building owner enters information into the portal, BlocPower would manage projects from start to finish. This includes providing energy audits, electrification plans, coordinating applicable rebates and permits, and procuring contractors and equipment.

Customers can also choose to finance their projects through BlocPower if desired through a 15-year leasing program that includes operations and maintenance of the equipment. Customers are directly billed by BlocPower each month. The lease model aims to use the utility savings to cover the monthly leasing costs. Incorporation of available incentives can also lower monthly costs. However, savings is not always achievable when incorporating safe, resilient and healthy building aspects into a project, and lease amounts may be higher than saving experienced. The customer remains the decision maker on which measures to implement in their building. After the leasing period, the equipment is owned by the customer. If the building is sold while the lease is active, there are options to transfer the lease to the new building owner or pay off the lease amount through the sale of the property/building.

The BlocPower program supports building owners who want to voluntarily electrify by saving time. BlocPower is also committed to train and develop Menlo Park's local workforce that would enable low income and people of color to acquire high paying jobs in the growing field of building and transportation electrification.

BlocPower financing, resourcing and budget

For building owners that desire financing (monthly lease) over direct purchase, there is an interest rate incorporated into the lease between 5 percent and 8 percent. Building owners can also choose to use other financing programs with lower interest rates and still participate in the BlocPower program. Some communities are also paying an annual implementation fee to help support BlocPower's resourcing needs. As a start-up firm, BlocPower has been able to raise capital through its partner Goldman Sachs to support initial implementation in early adopter communities. However, Menlo Spark and Commissioner Evans have committed to obtain external funding to support the effort that could include state programs, electricity providers, grants and/or philanthropic funding to continue to cover the resourcing needs of BlocPower and reduce interest rates to zero, particularly for low to moderate-income residents/businesses.

City Council direction

Partnering with BlocPower provides an opportunity to meet the objective of City Council's previous direction for a turnkey barrier reducing electrification program. Staff recommends that the City Council direct staff to prepare a partnership agreement using the draft roles and responsibilities, scope of work, and operations plan as a starting point for negotiations (Attachments A and B.) This will enable staff to refine the terms of the agreement and evaluate staff resource needs. Finalizing a partnership agreement and resource evaluation is expected to take up to three months.

Impact on City Resources

City attorney, city manager, public engagement manager, building official, and sustainability manager will be impacted over the next few months to negotiate a partnership agreement with BlocPower. Additional staff resources may be needed if the partnership is approved and could be considered in future budget processes/cycles.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines § 15378 and 15061(b) (3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Draft partnership terms
- B. Draft operations plan
- C. Draft Menlo Park BlocPower Portal: blocpower.io/electrify-menlo-park

Staff Report #: 22-060-CC

Report prepared by:
Rebecca Lucky, Sustainability Manager

**ENERGY EFFICIENCY RETROFITTING AND THERMAL LOAD
ELECTRIFICATION PROGRAM (EER-TLE)**

DRAFT SERVICES AND TERMS OF COLLABORATION

PROGRAM MANAGER

- A. Blocpower LLC., also in representation of, but not limited to, consulting engineering firms, project financiers, credit enhancement providers and other subcontractors, as may be necessary from time to time in performance program.

CUSTOMER

- A. City of Menlo Park that includes residential and commercial buildings

PURPOSE OF THE AGREEMENT

- A. Support the City of Menlo Park's strategy to achieve full decarbonization of its building stock, by managing a large-scale, multi-year program to retrofit and electrify thermal loads, as well as the deployment of solar photovoltaic and on-site energy storage solutions in residential, commercial, mixed use and special purpose buildings in the City of Menlo Park.
- B. Secure complementary financing, manage relationships and/or assist in negotiations with private investors, contractors, engineering firms, technology companies, government agencies, community-based organizations and workforce development organizations.

PROGRAM MANAGER RESPONSIBILITIES-BLOCPOWER

- A. Set up and manage a financing facility to fund the energy efficiency retrofit and thermal load electrification program, confirming in writing the availability of funds for the implementation of the program.
- B. Select, through a competitive process, at least four local companies or local contractors with whom to partner for the installation of building retrofit and energy projects and services ancillary thereto within the program.
- C. Develop and document standard processes for operations, service delivery, and reporting.
- D. Onboard partners and contractors to utilize standardized processes as documented.

- E. Manage relationships and/or assist the City in managing relationships with local companies, trade and labor unions, community-based organizations, investors, state and federal government agencies, and technology partner companies.
- F. Manage supply chain to drive economies of scale and achieve overall cost reductions for equipment, parts, labor and other technology solutions.
- G. Manage and/or assist the City of Menlo Park with grant opportunity identification and application, with local, state and federal government agencies, philanthropic or nonprofits.
- H. Coordinate with the City of Menlo Park for the design and implementation of marketing, outreach and community engagement programs.
- I. Act as primary party to receive inbound inquiries from the public and industry professionals about projects and implementation within the program.
- J. Work with the City of Menlo Park in the development of an independent website dedicated to this program, where the people in Menlo Park can find specific information and sign up for the program.
- K. Prepare and present quarterly summary reports to the Sustainability Manager.
- L. Prepare and present a comprehensive annual report to the Sustainability Manager, and CityCouncil.
- M. Support the City of Menlo Park in negotiations with the electric utility company and related organizations that can support electrification.

RESPONSIBILITIES OF THE CITY OF MENLO PARK

- A. Facilitate and assist the Program Manager with the design and implementation of community outreach programs.
- B. Designate a primary point of contact within or with direct reporting to the Sustainability Manager to work with the Program Manager.
- C. Act as primary party to receive inbound inquiries from the public about the program structure itself.
- D. Designate at least four (4) physical locations in the city for people to obtain information and sign up for the program.
- E. Work with the Program Manager in the development of an independent website dedicated to this program, where the people in the community can find specific information and sign up for the program. This website will be referred to as the Program Manager Portal.
- F.
- G. Present to the City Council annual updates on the status of the program.
- H. If publically available, share building, economic and demographic information with the Program Manager.
- I. Manage and/or assist the Program Manager with grant opportunity identification and application, with local, state and federal government agencies or nonprofits
- J. Coordinate all internal interactions and collaboration with the Department of Community Development.
- K. Assist the Program Manager in developing and further strengthening its relationship with local stakeholders.

- L. Endorse the Program Manager as an exclusive procurement entity for the purpose of securing bulk purchasing agreements.

PROGRAM PARTNERSHIPS

- A. All other program partnerships, including implementation partnerships with local companies and contractors, labor and trade unions and technology companies, will be managed by the Program Manager and reported to the City of Menlo Park.

PROGRAM IMPLEMENTATION: PROGRAM MANAGER

- A. The Program Manager will endeavor to maximize thermal efficiency, minimize carbon emissions and electrify thermal loads in all buildings in the City of Menlo Park. This includes the following functions: identification, negotiation, design, procurement, implementation, financing and maintaining targeted building retrofits.

PROGRAM IMPLEMENTATION: CITY OF MENLO PARK

- A. The City of Menlo Park will use its convening power to assist the Program Manager in providing building level data if publically available, offering local support, helping identify underserved communities and implementing a community engagement and education program to attract building owners, facility managers and tenants to sign up and participate in the program.

PROPOSED APPROACH

- A. Leverage a combination of advanced technologies, including but not limited to, air source heat pumps, ground source heat pumps, heat pump water heaters, insulation, air sealing, LED lighting, electrical upgrades, energy efficient electric appliances, health/safety improvements, water-saving measures, rooftop solar PV systems, on-site energy storage, and electric vehicle charging infrastructure to decarbonize Ithaca's building stock, while increasing health, safety, comfort, and convenience for those in the community.
- B. Retrofit projects are to be implemented using a turn-key, one-stop-shop approach, following the Program Manager proposed approach to lead building owners, facility managers and tenants through a step by step process, generally consisting of:
 - Opportunity identification
 - Building owner outreach / inbound response
 - Initial designs / Scope of Work
 - Project approval
 - Financing (via Program Manager, partners, or building owner funds)
 - Construction management
 - Commissioning/owner training

- Operations
 - Measurement and Verification
- C. Offer innovative financing offerings to cover the cost of retrofits, as an attractive alternative to traditional “loan(s)/grant(s)/cash” financing. Extend payments out to 15 to 20 years, match savings to customer payments to the extent possible, and include system O&M/warranties as appropriate. Lending, leasing and grant programs available will be defined at the beginning of the program, and may be updated at the program proceeds.
- D. Present an application-based program for home and building owners to be part of the first wave of the “electrification initiative”. This is a community engagement (solarize-style) campaign where a list of building owners who want to move forward is created and used to drive economies of scale on procurement, installation, and financing.
- E. Datasets will be provided, when available, by the City of Menlo Park GIS and Buildings Department, and will be used in combination with datasets provided by other organizations. Note that data must already publically available..

REPORTING REQUIREMENTS

- A. The Program Manager will collaborate in providing quarterly (first week of April, July and October) and annual (December) reports, within 90 days after such dates, on the progress of the program, including:
- Goals, milestones and progress per reporting period including:
 - i. Outreach efforts, including the number of building owners and/or representatives contacted, stakeholders engaged, and events held.
 - ii. Number of buildings engaged and projects completed by Census Tract.
 - iii. Estimated energy savings and GHG reductions in aggregate for completed projects.
 - Financing and grant opportunities.
 - Updates on negotiations and collaboration with community-based organizations, local companies and contractors, government agencies and investors.
 - Barriers, obstacles and intervention opportunities.
 - Requirements and expected progress for the following period.

Menlo Park + BlocPower Operating Plan [DRAFT]

Proposed Operating Plan

Operating Plan SUMMARY

	<u>Buildings</u>	<u>Community</u>	<u>Resourcing</u>	<u>Funding</u>
Phase 1 (2022)	<ul style="list-style-type: none"> - First 15 buildings - Begin & expand Contractor Ecosystem 	<ul style="list-style-type: none"> - Complete 1-2 installations via Council of Churches in Belle Haven to support community needs - Establish Community Advisory Board (CAB) 	<ul style="list-style-type: none"> - Begin process to secure funding sources to drive: program scaling, workforce training, and project delivery - Market Lead job description developed in coordination with CAB, search kicked off - Kick off search for Operations & Construction Lead (dedicated to buildings) 	<ul style="list-style-type: none"> - <u>Types of Funding necessary:</u> - Program: 100% contribution from BlocPower 1-4 FTE (no explicit commitment from city required) - Project Incentives: of up to \$XK per LMI household (for an equitable transition)
Phase 2 (2023)	<ul style="list-style-type: none"> - 100 buildings (50 Single family / 50 multi family) - Established relationships built with contractors 		<ul style="list-style-type: none"> - Market Lead hired - Hire Operations & Construction Lead hired 	
Phase 3 (2024-2025)	<ul style="list-style-type: none"> - Next 1000 homes 		<ul style="list-style-type: none"> - Building Sales Lead hired 	
First 3 Phases Total	1,115 buildings			

Plan DETAILS - Phase 1: 2022

- **City Staff Engagement Opportunities**

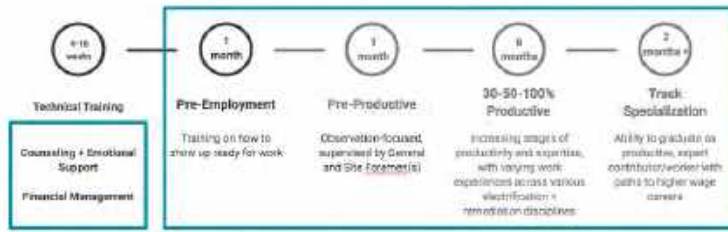
- Listed in each section below –*We invite staff to participate & collaborate on any items below (BlocPower is open to different engagement roles)*
- Other phase I city engagement opportunities may emerge through the launch and completion of the plan
- Ongoing Phase II / III design & from continued Phase I engagement

- **Phase 1 Program**

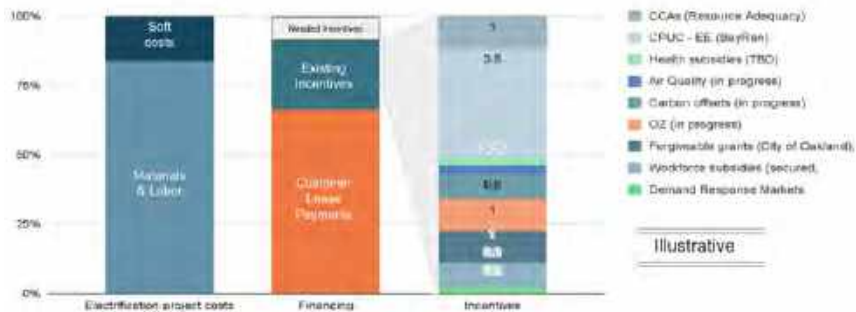
- **“Day 1”:** **Public Private partnership announced**
- **Community Advisory Board (CAB):** BlocPower has convened a broad set of community leaders in NYC, Oakland, Ithaca & San Luis Obispo to understand community needs and desires and get introductions to interested building owners who may want to engage in a retrofit in their properties
 - Goal: Identify and engage member candidates, and conduct preliminary conversations to explore community needs and wants
 - **MP Staff engagement options**
 - Recommendations to BlocPower about community leaders for the CAB
 - Facilitate initial introductions to community leaders
- **Contractor Ecosystem** to launch and complete building electrification projects: Expand East-Bay / ReValue.io ecosystem to MP, while working to identify San Mateo County partnerships
 - Goal: Identification of local contractors working on ASHP, electric HP hot water, solar installations
 - PCE / CAB Engagement Opportunities: Introductions to local contractors
 - **MP Staff Engagement Opportunities**
 - Co-branded marketing materials (and possibly events) for contractor outreach (in particular to validate the pipeline of electrification projects that contractors can expect to work on in MP)
- **Workforce Development:** Plan workforce program with JobTrain and community colleges

Scalable model provisions for holistic, field-tested workforce development

Expanded and Extended training for 1 year



- Oakland examples: work with Cypress Mandela, and Greenwork
 - **MP Staff Engagement Opportunities**
 - Facilitate introductions to JobTrain and community colleges
- **Secure additional funding sources** to drive program scaling, workforce training, and project delivery
 - **Government:** California state, San Mateo County
 - **Healthcare institutions:** Stanford Allergy and Asthma
 - **Philanthropy:** (brainstorm together)
 - **Private capital:** (brainstorm together) Local corporates & investment funds



- **MP Staff Engagement Opportunities**
 - Collaborate with BlocPower on funding opportunity identification and application or proposal creation and submission (required)
- **Dashboard / Reporting:** Assess Menlo Park needs. We offer monthly / quarterly / annual reporting co-developed with our city partners tracking key performance indicators
 - **MP Staff Engagement Opportunities**
 - Which metrics are most important to Menlo Park?
- **Budgeting:** Design program Sources and Uses of Funds
 - Marketing and outreach

- CBO Engagement
 - Workforce development
 - Contractor training
 - Marketing / outreach materials (factoring for city review)
 - Financial structure
 - **MP Staff Engagement Opportunities**
 - Help structure budgeting based on outcomes of Program design items
- **Phase I Projects**
 - **Electrification**
 - **Affordable Housing Developers:** Haven House project completion
MidPen project kickoff
 - **Households:** + 5-10 households in Menlo Park (2-4 months timeline)
 - **Wi-Fi:** Complete 1-2 installations via Council of Churches in Belle Haven to support community needs

Phase 2: 2023

- **Building Electrification:** First 100 Lower & Moderate Income household projects
 - 50 Single Family Residence households ~45K/project avg
 - 50 MFR households (approx 13 buildings) ~120K/4 unit building (50 units *30k/unit avg project cost)
 - ~\$3.8M estimated total project value. BlocPower will bring financing for as much of this is required
 - Estimate excludes already-available incentives, which should bring down project costs. Ex: [TECH](#) / [Peninsula Clean Energy](#) / [BayRen](#)
- **Workforce Development program launch:**
 - Training of 10-50 trainees in an initial cohort, who will be staffed on...
 - The first 100 projects with contractors identified in Phase I
- **Equipment:** Bulk purchasing discounts secured through BlockPower manufacturer relationships

Phase 3: 2024-2025

- Next 1000 homes

Resourcing: BlocPower Role Definitions

- **Market Lead:**
 - Embed into Menlo Park community, lead overall program management
 - Manage Community Advisory Board efforts, and community relationships
 - Build initial contractor relationships & get to know construction practices from first 115 buildings
 - Kick off and lead initial building sales
- **Operations & Construction Lead:**
 - Scale building electrification efforts
 - Lead contractor management efforts
 - Manage integration of workforce into program
 - Implement best practices from BlocPower lessons learned in other geographies
- **Building Sales Lead:**
 - Build relationships & guide building owners through pre construction process, to ensure best customer experience
 - Manage ramp of 1K buildings goal in 2024 / 2025

Program Details



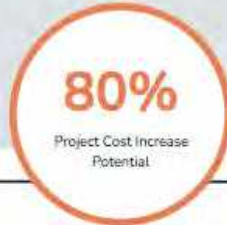
BlocPower Delivers Comprehensive Projects

An "all of the above" suite of electrification services allows building owners to pursue what's best for them while streamlining their experience



Fragmented datasets and communication prevent efficient project assessment and collaboration

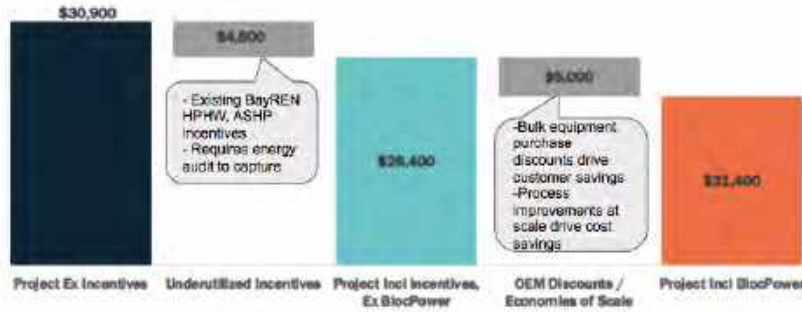
This drives up costs, reduces profitability, and prevents **5 million SMEs** from upgrading.



Program Value Add

Type	without BlocPower	with BlocPower	with BlocPower & public funds
Market Rate Household	<p>LOTS OF TIME, COMPLEXITY, TRUST ISSUES</p> <ul style="list-style-type: none"> • Research & hire contractor that knows electrification • Apply for energy audit • Engineering costs • Apply & manage permitting • Apply for incentives 	<p>TURNKEY ELECTRIFICATION</p> <ul style="list-style-type: none"> • Contractor specialized in full electrification • Bulk purchasing discounts • Engineering / Incentive applications handled by BlocPower • Customer Success: Post installation Operations & Maintenance plan 	<p>GREATER ADOPTION</p> <ul style="list-style-type: none"> • Lower financing costs further • Official program backing builds community trust & adoption
LMI Household	<p>DOESN'T GET DONE</p> <ul style="list-style-type: none"> • Lack of capital + larger scope of work (remediation / updated maintenance required) 	<p>GETS DONE</p> <ul style="list-style-type: none"> • Project enablement through affordable responsible financing: no lien on household, equipment only 	<p>GREATER AFFORDABILITY</p> <ul style="list-style-type: none"> • Further affordability, potentially savings

BlocPower Impact on Economics: Low-Moderate Income Single Family Residence (LMI SFR)



LMI projects have higher project costs due to larger scopes of work; greater potential for cost savings



Building Types BlocPower Services



Case Studies: Completed Projects

Single Family Residential	Multi Family Residential	House of Worship
		
Single Family White Plains, NY Home	Multi-family Oakland, CA Apartment building	Historic Church built in 1928.
<i>Issues:</i> Uncomfortable paying up-front for replacement	<i>Issues:</i> "Leaky" building w/ Old, inefficient and unhealthy heating and cooling system	<i>Issues:</i> Wintertime loss of heat, No cooling system for summer
<i>BlocPower Solution:</i> <ul style="list-style-type: none">• 7 zone air source heat pump system installation• No money down lease on equipment and installation	<i>BlocPower Solution:</i> <ul style="list-style-type: none">• Mini-split heat pump and smart thermostat• Electric hot water heater• Weather-proofing insulation	<i>BlocPower Solution:</i> <ul style="list-style-type: none">• Variable refrigerant flow (VRF) heating & cooling system — 5X more efficient than their previous system

Building Owner Journey

- **Customer types**
 - **Market Rate:** Speed & comfort, turnkey management, focusing on delivering projects
 - **Lower & Moderate Income:** all of the above plus.. remediation may be required. Ensure affordability
- **Intake:** Home owner fills out [Online intake form](#)
- **BlocPower Analysis:** Call with BlocPower / household to confirm project needs, household provides utility bills & floor plans
- **Design:** Home visit to audit physical space + design solution to fit needs
- **Contracting:** Present contract & financial options, sign paperwork
- **Permitting & Construction:** acquire permits, install & provision equipment
- **Customer Success:** BlocPower's Operations & Maintenance plan maintains a relationship with customer over the entire term of the 15 year equipment lease to ensure a positive customer experience

Financing Options

- **Financing Options:** Customers have an option to finance their projects as works best for them
 - **Cash payment:** upfront cash payment

- **BlocPower financing:** monthly payments through ACH / credit card
 - Operations & Maintenance is included in this option
 - Discount given for ACH payments
- **Outside financing:** other financing options available to customers
- **What happens if someone does not pay?** BlocPower works to support customer payments and reduce defaults. We are working with mission-aligned companies such as PromisePay to support customers staying current with their account.
- **What would be the monthly lease amount?** This would depend on the amount of the loan, factoring for incentives. We expect that customer utility bill savings will cover a portion of the project costs, and work to capture existing and create new incentives, to lower the net-monthly cost to an affordable level
- **How is payment collected if not through the utility or property tax? Is it a separate bill?** Payment is collected via a separate bill (ACH)
- **Range of payments for Oakland projects:** Payments range from \$96 / month for a single family residence, to \$1,200 / month, for a multi family building.
 - Note: These numbers are not inclusive of potential energy savings

Operations & Maintenance

Category	With BlocPower	Outside of BlocPower
Costs	Included with BlocPower Financing	\$150-\$500 / year
Frequency / Mechanism	-1X annually (BlocPower outreaches to customer) -As needed to troubleshoot issues (including remote IoT monitoring)	-Plan specific
Servicer	BlocPower Contractors	Warranty Servicer / Customer choice / usually only includes Parts warranty (Labor must be provisioned for separately)
Activities Performed	-Air filter maintenance & changes -Inspection of electrical connections & drains -Refrigerant level checks & lubrication of moving parts -Blower checks & adjustments	

BlocPower Background

How BlocPower Works: Community-centered Building Electrification & Emissions Reductions

1. **Holistically address the lives of communities:** Deliver green and healthy homes for everyone through: building electrification with workforce development and digital connectivity–Wi-Fi

BlocPower can...

	DECARBONIZE BUILDINGS	CREATE A CLEAN ENERGY WORKFORCE	EXPAND BROADBAND ACCESS
BENEFITS	<ul style="list-style-type: none"> Reduce greenhouse gases Improve indoor air quality Improve childhood health outcomes Deliver equity goals 	<ul style="list-style-type: none"> Build & diversify pipeline of job-ready employees Decrease joblessness & gun violence Create intergenerational wealth 	<ul style="list-style-type: none"> Close the digital divide Provide essential internet infrastructure for remote education, remote work, smart cities, demand response

- Contractor engagement is an integral piece of workforce training



Pictured: worker with Eco Options (below)



Building durable health & wealth in the community

2. **Refine Value Proposition:** Ground values in health and families



3. **Build on Trust:** Anchor community institutions and local examples



- **Land and Expand:** Grow impact through completed projects that build trust and establish foundational relationships for successful program adoption



Pictured: Oakland homeowner / customer



How BlocPower Plans to Scale

- BlocPower seeks to drive mass market building electrification to meet the climate emergency
- Our scaling model tackles the toughest segments of the market first, in service of solving the needs of the entire market

Justice reframes the typical adoption curve and centers the transition in historically underserved communities

Typical Market-based Adoption Curve
Adoption driven by access to resources & risk tolerance

Early-adopters: Risk takers who have resources and desire to try new things

Majority

Laggards: Make decisions based on past experience; not economically able to take risk on new ideas

LMI-First Adoption Spiral
Adoption driven by potential to benefit

A just transition centering on those with highest energy burden, negative health impacts, and the compounded burdens of historical racism



BlocPower + Menlo Park

Greener, Smarter, Healthier Buildings for All Since 2014



About BlocPower



Smarter, Greener, Healthier Buildings for All

- BlocPower is a Black-owned climate tech company founded in 2014, focused on greening and modernizing residential and small commercial buildings. Over 1200 projects completed to date.
- BlocPower develops, implements, and finances energy efficiency and clean energy projects for building owners in dense, often LMI urban areas in the United States.



Our software platform streamlines energy project identification, design, and install, **cutting down the time and cost** of completion.



BlocPower financing enables building owners to get much-needed energy-saving improvements with **no money upfront** and projects can be profitable day one.



BlocPower Wi-Fi connects community members without internet access through affordable mesh networks



Focus on workforce training and community engagement



ANDREESSEN
HOROWITZ



nationalgrid

Kapor
CAPITAL

conEdison

Exelon





Turnkey Building Electrification Program & Projects

Data & Technology

BlocMaps, a one-stop planning tool to electrify buildings, neighborhoods, and cities



Financing

Full stack responsible financing that bridges capital + incentives



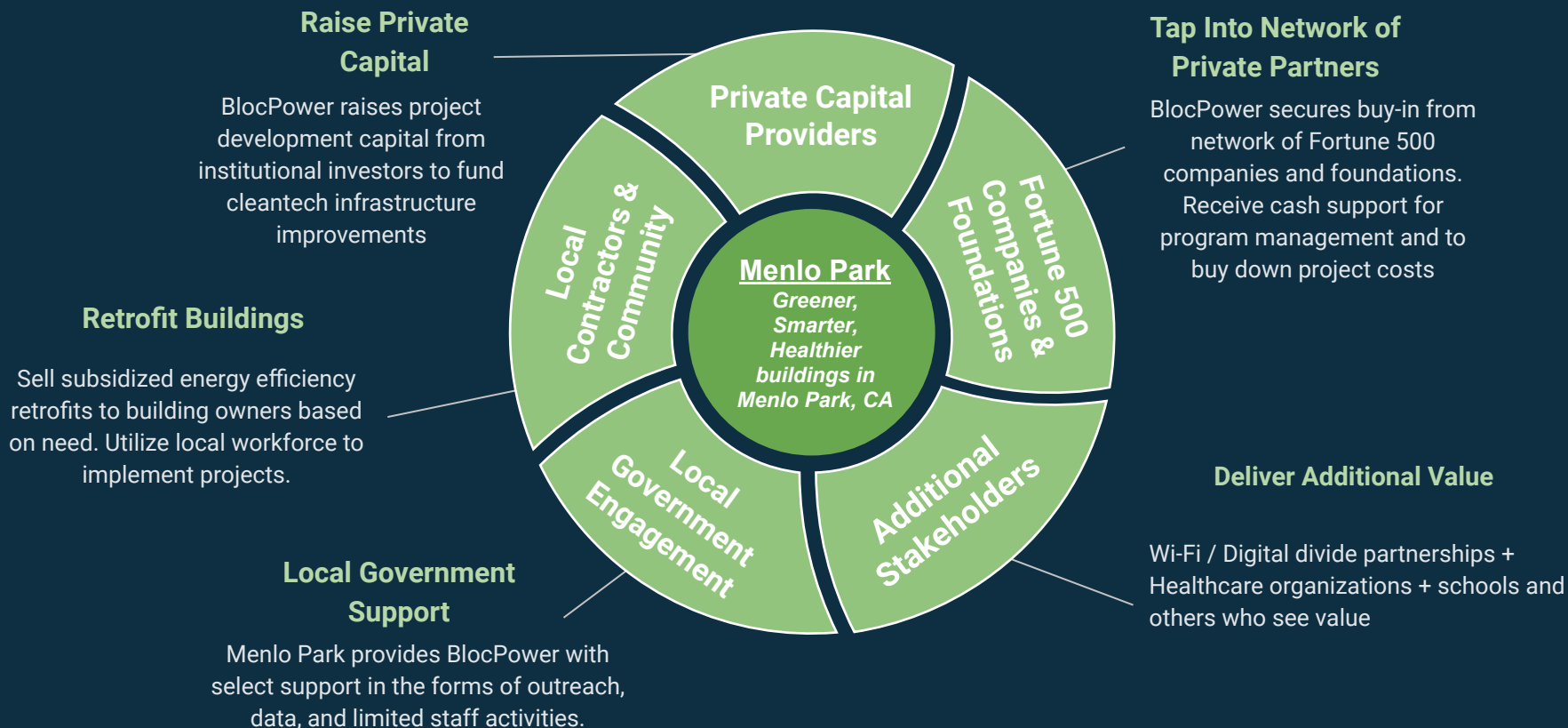
Community Driven Enablers

Job creation through Workforce Development to upskill and hire underrepresented workers into a Just Transition

Community connectivity through Wifi low-cost, high speed internet access to neighborhoods in need



Public Private Partnership Vision





BlocPower's Services for Building Owners

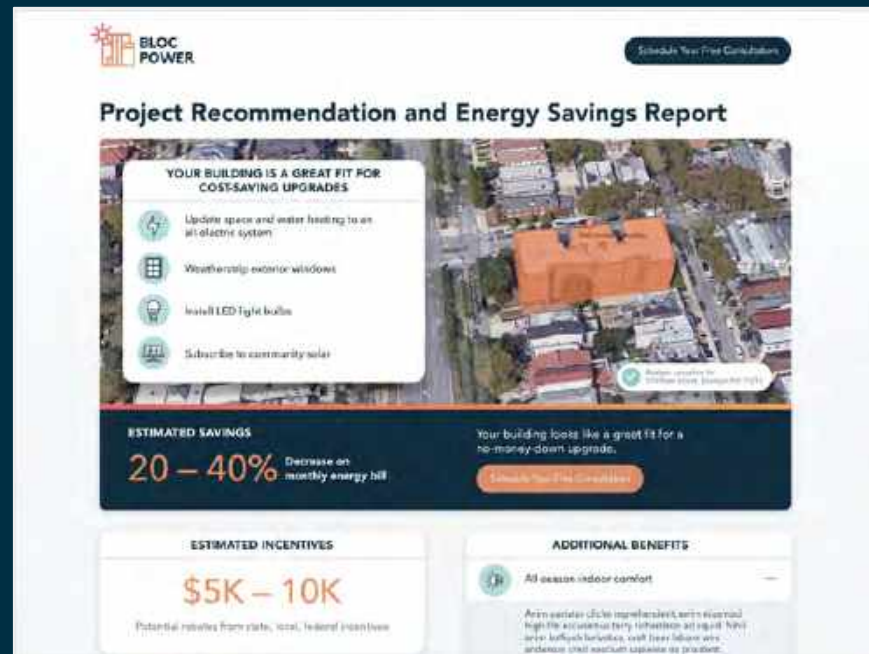




The one-stop shop for building owners to get started with Building Electrification



Streamlined path of project scoping, design and pricing and connection to BlocPower's Team

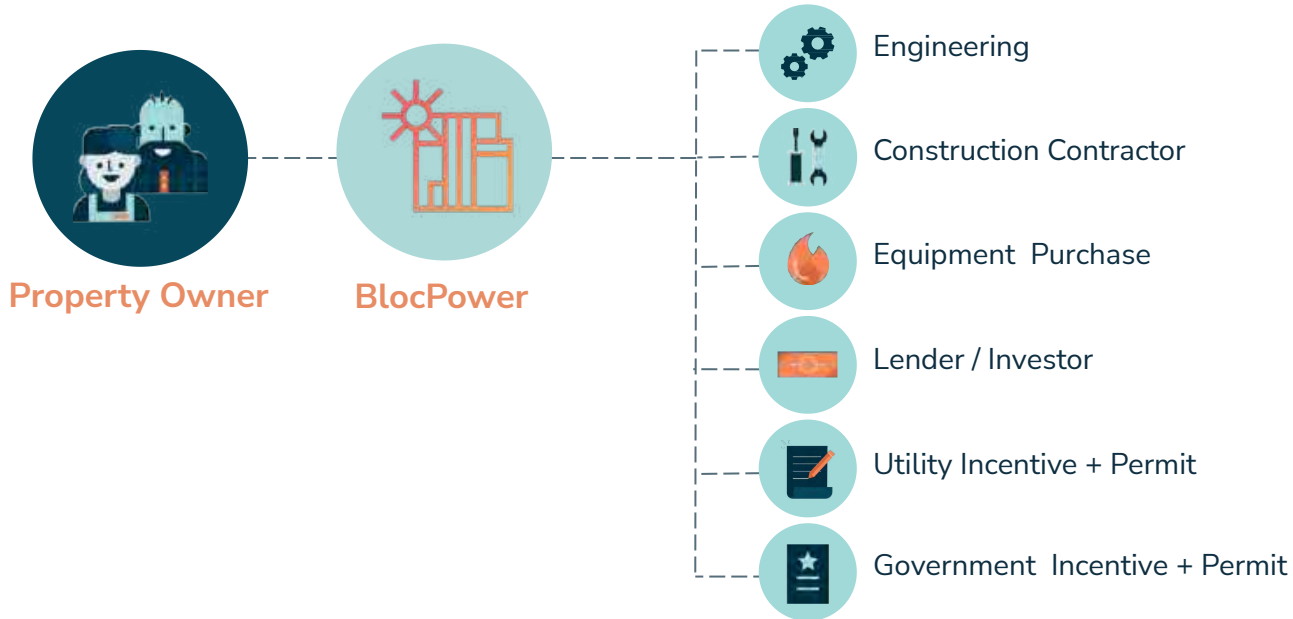


Accessible, intuitive starting point for building owners to learn about the benefits and cost of electrification and energy efficiency upgrades for their building



Customer-Centric Building Electrification Solution

BlocPower simplifies the end-to-end customer experience, increasing participation and lowering costs













Software streamlines project management and keeps costs low

Financial offering eliminates upfront cost & structures payments to match savings



BlocPower Delivers Comprehensive Projects

An “all of the above” suite of electrification services allows building owners to pursue what’s best for them while streamlining their experience

 Air source and ground source heat pumps; High SEER AC units	 Heat pump hot water	 Home appliances, + panel upgrades	 LED lighting, insulation, air sealing, water measures	 Project planning to put it all together
 Remediation: Lead, mold, asbestos	 Monitoring and control systems	 Local Solar or Community Solar	 Battery Storage	 Incentive sourcing & financing to make it accessible

Fragmented datasets and communication prevent efficient project assessment and collaboration

This drives up costs, reduces profitability, and prevents **5 million SMEs** from upgrading.

80%

Project Cost Increase Potential



Electrification is complex & time-consuming

Climate / energy expert

"I'm trying to electrify my home in Santa Barbara... The time it takes to get permits to change my house is about a year.

I'm still burning gas in my house for that year. Now we're going back and forth about what kind of heat pump I can use.

None of the system is oriented about climate being the most important thing"

Leah Stokes, UCSB energy, climate and environmental politics Asst. professor

Source:

<https://www.nytimes.com/2022/03/13/opinion/berkeley-enrollment-climate-crisis.html>

LMI Homeowner

"I knew I wanted to be energy efficient, just didn't know where to start. Working with the Revalue.io team and Blocpower, made the process seamless and easy."

Oakland homeowner / BlocPower Customer



Electrification

Features:

- 15-year contract
- Customer payments targeted to savings
- Low 1% annual escalation in payment
- Full guarantee on equipment and service
- Maintenance costs included for 15 years
- Purchase, renew or remove options at end of term
- No lien on underlying property



as a Service

Benefits:

- No upfront capital needed to take action
- Easy entry to learn about unfamiliar technology
- System guaranteed to function for customer
- Significant savings compared to oil



Case Studies: Completed Projects

Single Family Residential



Single Family White Plains, NY Home

Issues: Uncomfortable paying up-front for replacement

BlocPower Solution:

- 7 zone air source heat pump system installation
- No money down lease on equipment and installation

Multi Family Residential



Multi-family Oakland, CA Apartment building

Issues: "Leaky" building w/ Old, inefficient and unhealthy heating and cooling system

BlocPower Solution:

- Mini-split heat pump and smart thermostat
- Electric hot water heater
- Weather-proofing insulation

House of Worship



Historic Church built in 1928.

Issues: Wintertime loss of heat, No cooling system for summer

BlocPower Solution:

- Variable refrigerant flow (VRF) heating & cooling system — 5X more efficient than their previous system



From Projects to Large Scale Programs



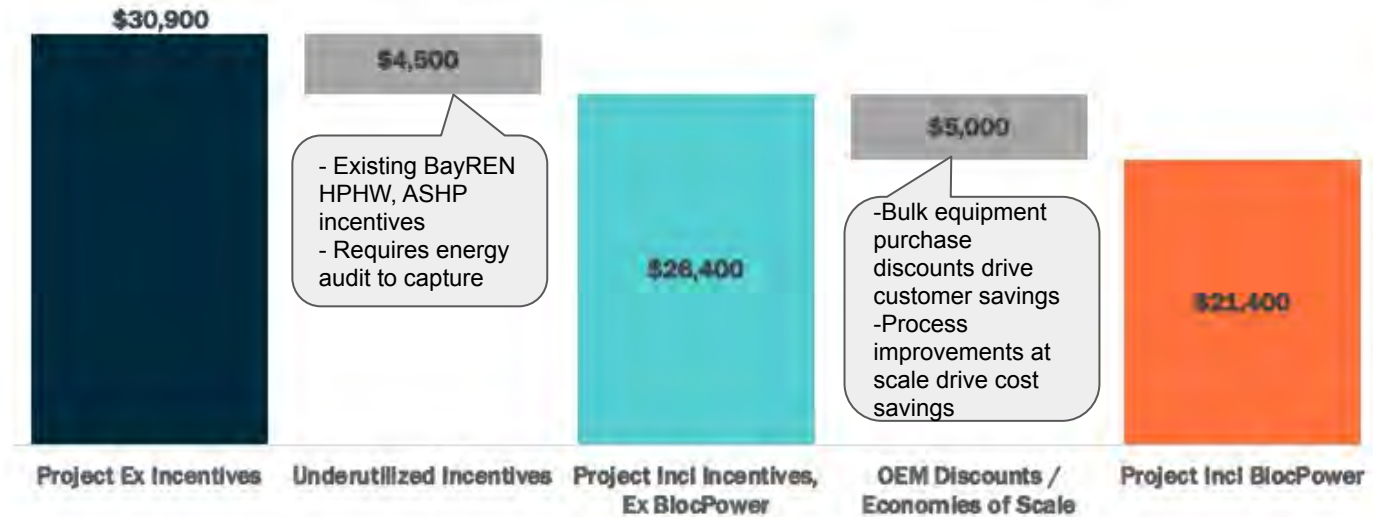
BlocPower partnership delivers scale and affordability

Type	without BlocPower	with BlocPower	with BlocPower & public funds
Market Rate Household	<p>LOTS OF TIME, COMPLEXITY, TRUST ISSUES</p> <ul style="list-style-type: none">• Research & hire contractor that knows electrification• Apply for energy audit• Engineering costs• Apply & manage permitting• Apply for incentives	<p>TURNKEY ELECTRIFICATION</p> <ul style="list-style-type: none">• Contractor specialized in full electrification• Bulk purchasing discounts• Engineering / Incentive applications handled by BlocPower• Customer Success: Post installation Operations & Maintenance plan	<p>GREATER ADOPTION</p> <ul style="list-style-type: none">• Lower financing costs further• Official program backing builds community trust & adoption
LMI Household	<p>DOESN'T GET DONE</p> <ul style="list-style-type: none">• Lack of capital + larger scope of work (remediation / updated maintenance required)	<p>GETS DONE</p> <ul style="list-style-type: none">• Project enablement through affordable responsible financing: no lien on household, equipment only	<p>GREATER AFFORDABILITY</p> <ul style="list-style-type: none">• Further affordability, potentially savings



Experience shows homeowners need new and under-use existing levers to drive down project costs

BlocPower Impact on Economics: Low-Moderate Income Single Family Residence (LMI SFR)



LMI projects have higher project costs due to larger scopes of work; greater potential for cost savings



Current and Potential Cost Savings

- Improved project modeling
- Increased installation efficiency

Project Costs:

- Air Source Heat Pump
- Electrical Panel Upgrades
- Hot Water Heat Pump
- Induction Stove
- Main Panel Upgrades



Wall, Ceiling Insulation

Windows / Air Sealing

Remediation

-Environmental (Asbestos / Mold, Lead paint)

Foundation repair

Views into the same project

Illustrative



Workforce Development



BLOC POWER

CIVILIAN CLIMATE CORPS



Vice President Harris and DOE Secretary Granholm with BlocPower CEO Donnel Baird and CCC participant Joshua Krupa

- BlocPower focuses on training individuals in disinvested communities to expand, diversify, and strengthen the clean energy workforce.
- Multi-million workforce contract with the NYC Mayor's Office of Criminal Justice. The majority of funds go directly to participants through a 6-months paid training and apprenticeship.
- Participants have installed Wi-Fi in public housing, EV charging stations and solar on roofs. They have trained and worked on HVAC conversions and air quality monitoring.

TECHNICAL TRAINING FOR CAREERS IN THE GREEN ECONOMY



FOUNDATIONAL TRAINING

- Basic Construction
- OSHA 40 (includes SST certification)
- EPA 608, ELI certifications



SPECIALIZATION

- HVAC Systems/heat pumps
- Energy Auditing
- Community WiFi Installation
- Electrical Work
- Solar installation
- EV chargers
- Coding and software development
- Drone operations for building mapping

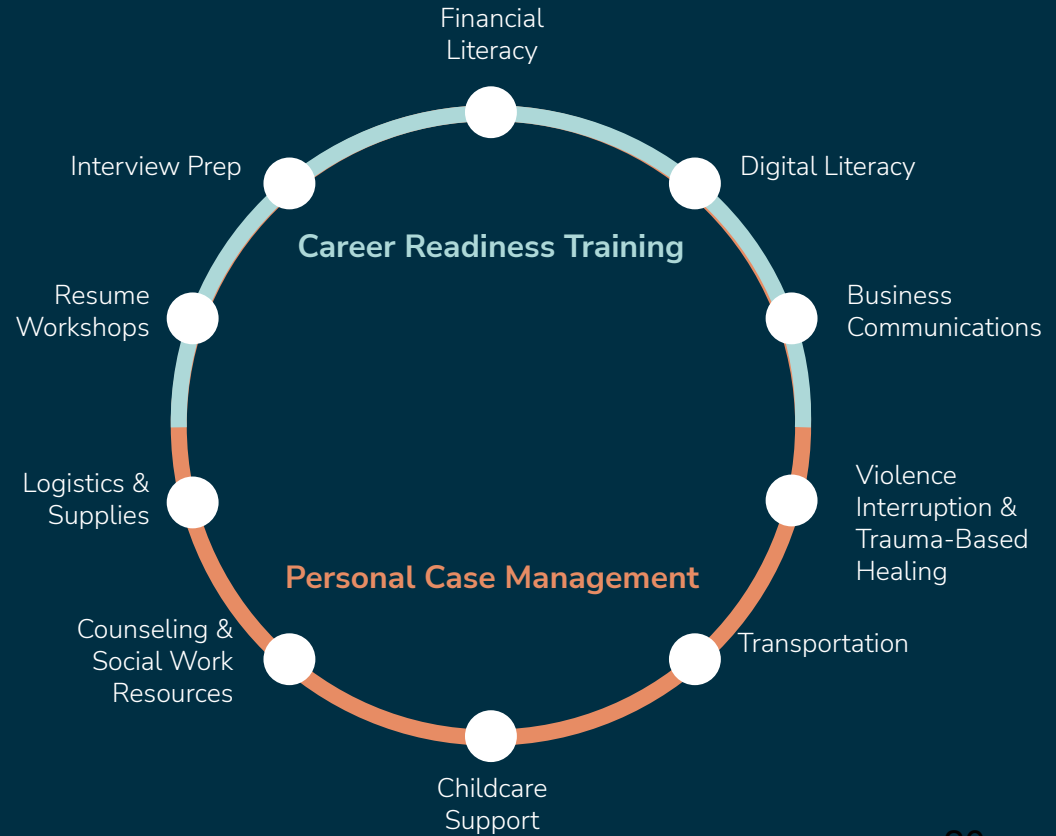


ON-SITE TRAINING

- Work opportunities and experience with ASHPs, power tools, charging stations, etc.

WRAPAROUND SERVICES THAT SET PARTICIPANTS UP FOR LONG TERM SUCCESS

We take a whole-of-person approach to workforce development, because we know there can be structural barriers that limit success of even the most talented and dedicated





Next Steps



The time to act is now

Menlo Park Plan

Menlo Park has committed to a strong Climate Action plan

- Committed to Net Zero by 2030, 95% of existing buildings decarbonized/electrified - Must start now

Significant opportunity to address environmental injustice - Approx 1500 LMI residential buildings primarily in Belle Haven

- Digital Divide—need for Wi-Fi coverage to access education and jobs
- Concerns about flooding in Belle Haven

Vision and ability to execute transformative public-private partnership

- Commissioner Angela Evans, Menlo Spark & leaders, have committed to supporting this scaled partnership including joint pursuit of state and federal funding as well as philanthropic commitments
-



Potential plan could scale to meet the moment...

Proposed Operating Plan



... to electrify all 12K Menlo Park buildings



Thank you

donnel@blocpower.io

grace@blocpower.io

roopak@blocpower.io



SPECIAL MEETING MINUTES – DRAFT

Date: 3/2/2022
Time: 5:00 p.m.
Location: Zoom

Closed Session

A. Call To Order

Mayor Nash called the meeting to order at 5:06 p.m.

B. Roll Call

Present: Combs, Mueller, Nash, Taylor, Wolosin
Absent: None
Staff: City Clerk Judi A. Herren

C. Closed Session

C1. Closed Session pursuant to Government Code Section 54957
PUBLIC EMPLOYMENT
Title: City Manager

No reportable actions.

D. Adjournment

Mayor Nash adjourned the meeting at 6:32 p.m.

Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date:

4/12/2022

Staff Report Number:

22-061-CC

Consent Calendar:

Adopt a resolution to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings

Recommendation

Staff recommends that the City Council adopt a resolution (Attachment A) to continue conducting the City's Council and advisory body meetings remotely due to health and safety concerns for the public and to authorize the use of hybrid meetings.

Policy Issues

Assembly Bill 361 (AB 361) was signed into law September 16, 2021 allowing cities to continue holding virtual meetings during any emergency proclaimed by the governor. AB 361 sunsets January 1, 2024. The City Council would need to declare every 30 days that the City's legislative bodies must continue to meet remotely in order to ensure the health and safety of the public.

Background

The California Legislature approved AB 361, which was signed by the governor September 16, 2021 for signature. The bill allows local legislative bodies to continue to meet remotely through January 1, 2024. A local agency will be allowed to continue to meet remotely when:

- The local agency holds a meeting during a declared state of emergency
- State or local health officials have imposed or recommended measures to promote social distancing
- Legislative bodies declare the need to meet remotely due to present imminent risks to the health or safety of attendees

The City meets the requirements to continue holding meetings remotely in order to ensure the health and safety of the public:

- The City is still under a local state of emergency
- County Health orders require that all individuals in public spaces maintain social distancing and wear masks

Analysis

The City is still under a local state of emergency and the emergency findings required under AB 361 are still in effect. It is recommended that the use of facial coverings be exercised when not speaking inside the City Council Chambers. The resolution authorizes the use of hybrid meetings, whereby City Councilmembers and staff may choose to attend either remotely or in person.

Although the City has returned to in-person meetings, due to the prevalence of BA.2 strain of the SARS-CoV-2 virus and the BA.2 overtaking other variants in San Mateo County, the City Council finds that reducing the number of persons present in City Council chambers is necessary to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors.

Impact on City Resources

There is no impact on City resources.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is an organizational structure change that will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. Resolution

Report prepared by:
Judi A. Herren, City Clerk

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AND ON BEHALF OF COMMISSIONS AND COMMITTEES CREATED BY THE CITY COUNCIL PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 54952(b) AUTHORIZING TELECONFERENCE MEETINGS IN COMPLIANCE WITH AB 361 (GOVERNMENT CODE SECTION 54953(e) TO CONTINUE TO ALLOW MEMBERS OF THE PUBLIC TO SAFELY PARTICIPATE IN LOCAL GOVERNMENT MEETINGS**

WHEREAS, the City Council is committed to ensuring public access to observe and participate in local government meetings; and

WHEREAS, all meetings of the City Council and other legislative bodies created pursuant to Government Code Section 54952(b) are open and public, as required by the Ralph M. Brown Act, so that any member of the public may participate in local government meetings; and

WHEREAS, the AB 361, codified at Government Code section 54953(e), makes provisions for remote teleconferencing participation in local government meetings, without compliance with the requirements of 54953(b)(3), during a Governor-proclaimed state of emergency and if the local legislative body determines, by majority vote, that as a result of the emergency, meeting solely in person would present imminent risks to the health or safety of attendees, and

WHEREAS, on March 4, 2020, Governor Newsom proclaimed a State of Emergency due to the outbreak of respiratory illness due to a novel coronavirus (now known as COVID 19) and that State of Emergency is still in effect in the State of California; and

WHEREAS, on March 11, 2020 the City Council proclaimed the existence of a local state of emergency within the City, pursuant to Section 8625 of the California Emergency Services Act in response to the COVID-19 pandemic; and

WHEREAS, COVID-19 continues to threaten the health and lives of City residents; and

WHEREAS, the SARS-CoV-2 Delta and Omicron Variants are highly transmissible in indoor settings; and

WHEREAS, the BA.2 strain of the SARS-CoV-2 virus is overtaking other variants in San Mateo County; and

WHEREAS, San Mateo County, the State of California and the Country in general, are expecting a surge in infection rates due to the BA.2 strain. According to data from the County's Health Administrator and County website, the County is averaging approximately 102 new cases of COVID-19 per day; and

WHEREAS, although the City has returned to in-person meetings, due to the prevalence of BA.2 strain of the SARS-CoV-2 virus and the BA.2 overtaking other variants in San Mateo County, the City Council finds that reducing the number of persons present in City Council chambers is necessary to reduce imminent health risks associated with large groups and/or members of varying households gathering indoors; and

WHEREAS, the State of California and the City of Menlo Park continue to follow safety

measures in response to COVID-19 as ordered or recommended by the Centers for Disease Control and Prevention (CDC), California Department of Public Health (DPH), and/or County of San Mateo, as applicable, including facial coverings when required; and based upon that guidance, in-person attendance indoors at public meetings continues to present a health risk for certain segments of the population, necessitating the need to reduce the number of in-person meeting attendees; and

WHEREAS, the City Council, acting as a legislative body pursuant to Government Code section 54952(a) and for the benefit of the commissions, committees and other bodies that were created by the City Council pursuant to Government Code section 54952(b) (collectively referred to as “Legislative Bodies”), finds that the current conditions meet the circumstances set forth in Government Code section 54953(e)(3) to allow Legislative Bodies to continue to use teleconferencing to hold open and public meetings if the Legislative Bodies comply with the requirements set forth in Government Code section 54953(e)(2) to ensure the public can safely participate in and observe local government meetings.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby:

1. Find that current conditions authorize teleconference public meetings of Legislative Bodies. Based on the California Governor’s continued declaration of a State of Emergency and current conditions, the City Council finds that meeting in person, without the option for certain populations and persons to participate remotely, would present imminent risks to the health or safety of attendees. The City Council does therefore find that Legislative Bodies and members of Legislative Bodies of the City may elect to use teleconferencing to hold public meetings in accordance with Government Code section 54953(e)(2) to ensure members of the public have continued access to safely observe and participate in local government meetings.
2. Authorize Legislative Bodies to conduct teleconference meetings. The Legislative Bodies are hereby authorized to take all actions necessary to carry out the intent and purpose of this Resolution, including conducting open and public meetings in accordance with Government Code section 54953(e)(2) and other applicable provisions of the Brown Act.
3. Authorize Legislative Bodies to conduct hybrid meetings. The Legislative Bodies are hereby further authorized to conduct meetings in a “hybrid” format, where both members of the Body may elect to be present in person, utilizing appropriate distancing and masking practices, or participate by teleconferencing technology. Such meetings of the Legislative Bodies that occur using teleconferencing technology will provide an opportunity for any and all members of the public who wish to address Legislative Bodies and will otherwise occur in a manner that protects the statutory and constitutional rights of parties and the members of the public attending the meeting via teleconferencing

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twelfth day of April, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of April, 2022.

Judi A. Herren, City Clerk



STAFF REPORT

City Council

Meeting Date: 4/12/2022

Staff Report Number: 22-062-CC

Consent Calendar: **Approve increased compensation for interim city manager services**

Recommendation

Approve compensation increase from \$245,000 to \$255,000 per annum for interim city manager services.

Policy Issues

The City Council has the responsibility for appointing the city manager. The city manager serves as the City's chief executive officer.

Background

City Manager Starla Jerome- Robinson resigned effective January 28, 2022. On January 11, 2022, the City Council appointed Justin Murphy as Interim City Manager.

The City Council has been working with the Hawkins Group to recruit a permanent city manager since September 2021. Given that the recruiting work is not yet complete, it is necessary for Justin Murphy to continue to serve as interim city manager to maintain City services especially in light of the ongoing COVID-19 pandemic.

Analysis

Since Mr. Murphy's interim appointment January 11, 2022, he has more than ably served the organization and community. In addition to his regular duties and the regular duties of city manager, Mr. Murphy has managed significant issues due to the number of staffing vacancies in the City especially at the director or managerial levels. Additionally, Mr. Murphy is serving as the interim for longer than anticipated due to the nature of the recruitment process for a permanent city manager.

In recognition of the additional duties Mr. Murphy has taken on in the interim role, the high degree with which he is performing them and the longer than anticipated length of time in the role, City Council is considering increasing Mr. Murphy's salary while he serves as interim city manager from \$245,000 to \$255,000. The pay increase, if approved, will become effective March 22, 2022, and end the date immediately preceding the date on which the permanent appointee to the vacant position of city manager commences their employment unless the interim appointment is modified at a regularly noticed City Council meeting or by Mr. Murphy. At that time Mr. Murphy would return to his position as deputy city manager at his prior rate of compensation.

Impact on City Resources

The financial impacts associated with this increase is temporary in nature and is no more than \$10,000.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it is a minor change that will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

None.

Report prepared by:

Genevieve Ng, Sloan Sakai Yeung & Wong Legal Counsel



STAFF REPORT

City Council

Meeting Date: 4/12/2022
Staff Report Number: 22-063-CC

Consent Calendar: Authorize the Mayor to Join the Race to Zero

Recommendation

Staff recommends that the City Council approve authorizing Mayor Nash to join the Race to Zero (Attachment A.)

Policy Issues

In 2019, the City Council declared a climate emergency (Resolution No. 6535) committing to catalyze accelerated climate action implementation. In July 2020, the City adopted a new 2030 Climate Action Plan (CAP) with the bold goal to reach carbon neutrality by 2030.

Background

The City has been a member of ICLEI (Local Governments for Sustainability) for over 10 years. ICLEI is an international nonprofit organization that supports local governments in meeting their sustainability objectives. Many cities in the Bay Area are members.

For a nominal membership fee of \$600 per year, ICLEI provides additional resource capacity for the city through technical assistance and easy to use tools. One of the most valuable tools ICLEI has developed and refined over the last decade is its ClearPath tool that measures both community and city operation greenhouse gas (GHG) emissions. Using this tool, the City has been able to develop accurate, consistent, and reliable GHG inventories to support decision-making and educate the public on community activities that increase/decrease climate change impacts.

In addition, the City Council and staff have access to numerous local government trainings and events that relate to sustainability as well as representation at national and global events. From time to time, ICLEI also offers grant opportunities.

Over the last year, ICLEI has been working on another tool to help communities develop science based GHG reduction targets in various sectors (e.g., buildings, transportation, waste, etc.) The desired outcome is to help local communities set realistic CAP goals that leverage actions occurring on a global, national, and state scale while providing advice on specific local government actions to implement.

In order to access ICLEI's additional tools and technical assistance and receive Menlo Park's science based sector targets to be carbon neutral by 2030, the Mayor would need to join ICLEI's Race to Zero campaign (Attachment A.)

In December 2021, the Environmental Quality Commission reviewed the campaign and associated benefits to the City, and advises the City Council to join the Race to Zero while maintaining the 2030 goal to be carbon neutral and further advises the City Council to request that ICLEI create a subgroup of cities that

have a 2030 goal to be carbon neutral 5-0 (London absent.) Attachment B contains the presentation provided to the commission.

ICLEI is starting a 2022 Race to Zero cohort that staff can join to learn, support, and bring forward proposals that will help advance the city toward achieving carbon neutrality.

Analysis

The Race To Zero is a global campaign (established by the United Nations Framework Convention on Climate Change in June 2020) to rally leadership and support from businesses, cities, regions and investors for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs and unlocks inclusive, sustainable growth. Race to Zero rallies partners to commit to the 1.5°C goal of the Paris Agreement and to achieve net zero emissions by 2050 at the very latest. However, cities may choose more aggressive goals such as Menlo Park's goal to be carbon neutral by 2030. The campaign recognizes that local government action and support is essential to reach global goals, and ICLEI is leading the effort from a local government perspective by seeking 150 USA communities to join the Race to Zero (Attachment C.)

There are five requirements to enter the Race to Zero and receive additional technical assistance and benefits from ICLEI and its partners:

1. Endorse climate action principals:
 - A. Recognize there is a global climate emergency
 - B. Commit to keeping global heating below 1.5°C
 - C. Put inclusive climate action at the center of all urban decision making to create thriving and equitable communities for everyone
 - D. Invite partners to support these principals and deliver on science based action to overcome it
2. Pledge to reach net-zero in the 2040s or sooner
3. Plan to set an interim 2030 target consistent with a fair share of 50 percent global emissions reductions
4. Proceed to planning at least one inclusive climate action (e.g., procure only zero emission buses from 2025)
5. Publish target and action plan and report progress annually

The city has accomplished nearly all the tasks above. Remaining tasks are already ongoing and within the scope of the sustainability division's work. The only outstanding item to join is for an elected official to sign the commitment form in Attachment A.

The benefit to Menlo Park in joining the Race to Zero is increased staff technical support in the following areas:

- Development of science based targets for some or all of Menlo Park's climate action strategies (No. 1-6)
- Identification of high impact solutions/actions
- Personalized support package to reach carbon neutral by 2030
- Technical assistance to proceed to action

To date, ICLEI is one-third of the way to its Race to Zero membership goal, comprised of 19 California communities including San Jose, Palo Alto, Cupertino, Hayward, Berkeley, Fremont, Oakland, and San Francisco in the Bay Area.

Impact on City Resources

Since the city has completed many of the actions required to join the campaign, impacts on staff resources

would be minimal. Joining the Race to Zero builds further capacity by accessing low cost technical support and analysis as well as leveraging the ICLEI network with other cities seeking to be carbon neutral by 2030.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines § § 15378 and 15061(b) (3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Commitment form to join the Race to Zero
- B. Race to Zero presentation to the Environmental Quality Commission (December 15, 2021)
- C. Hyperlink – Race to Zero website: icleiusa.org/race-to-zero/

Report prepared by:
Rebecca Lucky, Sustainability Manager



ICLEI150 COMMITMENT FORM

I have read the information below about the ICLEI150 and the Race to Zero commitment and I understand all that is expected of me, my staff, and ICLEI USA. By signing below, I agree to participate and to allow ICLEI to publish our commitment, target, and actions on the ICLEI USA website and to report this information to the global Cities Race to Zero platform.

I pledge to join the ICLEI150 on the Race to Zero on behalf of _____,
 _____, (name of city/county)
 _____ (name of state)

Race To Zero is a global campaign (established June 2020) of the United Nations’ Climate Champions to rally leadership and support from businesses, cities, regions, investors for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth.


ICLEI’s Climate Neutrality Framework provides a framework to engage with the Race to Zero, and calls for the necessary level of ambition and daring leadership to keep global temperature rise below the 1.5°C goal of the Paris Agreement and to put climate action at the center of all urban decision-making, taking full advantage of ICLEI’s five development pathways: low-emissions, resilient, circular, nature-based, and people-centered / equitable. The Climate Neutrality framework directs our work with you as an ICLEI member.

The “ICLEI150” represents a movement of 150 local governments across the ICLEI USA network that are stepping up to join the Cities Race to Zero to cut global emissions in half by 2030 and to zero by 2050.

The ICLEI150 communities in the Race to Zero participants will:

1. **Pledge:** at the head-of-organization level to get to zero greenhouse gas emissions as soon as possible and by 2050 at the latest. Set a 2030 interim target reflecting maximum fair share effort to reach 50% global CO2 reductions.
2. **Plan:** the actions necessary to achieve both the 2030 and 2050 targets within 12 months of joining.
3. **Proceed:** with high-impact action to achieve the targets during 2021
4. **Publish:** report Race to Zero actions by 2022

ICLEI USA will provide ICLEI150 leaders and communities with:

- 
- Your community's 2030 Science-Based Target, putting you on a path to climate neutrality by 2050.
 - Community-specific high-impact actions to meet the 2030 target.
 - Technical assistance to proceed with one or more high-impact actions during 2021.
 - Personalized support package, pairing ICLEI's resources with your community's goals.
 - Reporting your commitment and actions to the global Race to Zero platform. (Targets are reported via the CDP-ICLEI Unified Reporting Platform).
 - National and international recognition for your ambition and action from ICLEI USA and ICLEI World Secretariat.
 - Provide opportunities to speak about and share your community's Race to Zero ambition.

As a leader joining the Cities Race to Zero, I endorse the following principles:

1. We recognize the global climate emergency.
2. We are committed to keeping global heating below the 1.5°Celsius goal of the Paris Agreement.
3. We are committed to putting inclusive climate action at the center of all urban decision-making, to create thriving and equitable communities for everyone.
4. We invite our partners – political leaders, CEOs, trade unions, investors, and civil society – to join us in recognizing the global climate emergency and help us deliver on science-based action to overcome it.

As an ICLEI150 Leader, I will:

- **Commit my staff to work with ICLEI** to develop our “member journey” of technical and implementation aspects of the Race to Zero.
- **Spend 15 minutes each month** amplifying the Race to Zero movement within their community, with other elected officials, and at national and international forums.
- **Provide a 1- to 2-minute video** highlighting specific examples of what they are doing or planning to do to equitably reduce GHG emissions and why they are excited to be an ICLEI 150 leader in the Race to Zero. Submit [Here](#) within 30 days or email to sarah.ditton@iclei.org.
- **Provide a statement** about why the Race to Zero initiative is important to me and my community (in the box below). Please include a link to a portrait or include an attachment in your submission email. This will be used on the ICLEI USA website and social media to highlight your ambition.



I anticipate my community will need ICLEI’s assistance to complete the following steps of the Race to Zero:

- A declaration of a climate emergency and/or a commitment to climate neutrality
- A Science-Based Target
- Planning and implementing at least one inclusive and equitable climate action
- Reporting progress
- Unsure. I need ICLEI technical advisors to help create my plan.

Elected Official Signature

Date





Local Governments
for Sustainability

USA

Raising Ambition in the Race to Zero and ICLEI 150

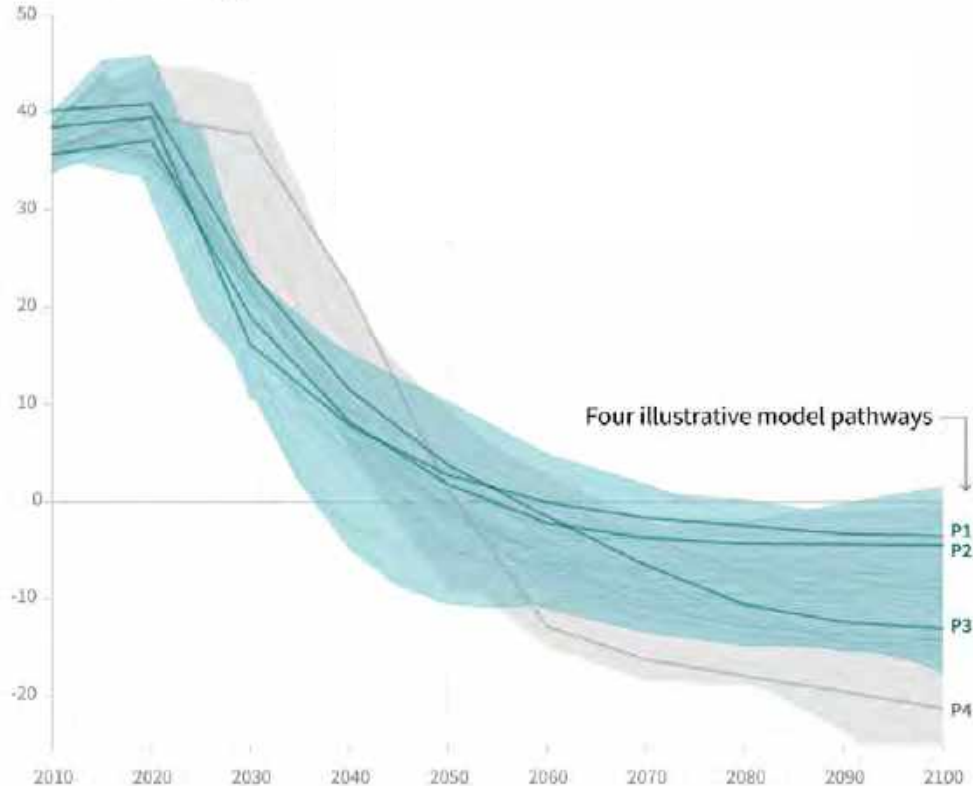
Following the Science and
Committing to Action

ATTACHMENT B



Global total net CO₂ emissions

Billion tonnes of CO₂/yr



For the safety of people, planet, and economy we must reduce global emissions in half by 2030 and reach net zero emissions by 2050

A nighttime photograph of a cityscape, likely Salt Lake City, Utah. The image features a prominent state capitol building with a large dome on the right side. In the foreground, a multi-lane road is captured with long-exposure light trails from cars, creating streaks of white and red. The city is illuminated by streetlights and building lights, with a dark, hilly background under a deep blue night sky. The text "Local government action is essential for reaching global goals" is overlaid in white and light blue on the left side of the image.

Local government
action is essential for
reaching global goals

The Race to Zero



Race To Zero is a global campaign (established by the UN Climate in June 2020) to rally leadership and support from businesses, cities, regions, investors for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth. Race to Zero rallies partners to commit to the 1.5°C goal of the Paris Agreement and to achieving net zero emissions by 2050 at the very latest. The Cities Race to Zero is the local government engagement opportunity within the UN's initiative and is coordinated by city network partners:



An opportunity to:



Lead by Example



Be the Future



Clean Air



Prepare for the Future



Collaborate



Attract Investments



Create Jobs



Innovate



Reduce Emissions



An Invitation to Go Further Faster

Cities Race to Zero pledge: 5 REQUIREMENTS

01

Endorse the following principles:

- We recognize the global climate emergency.
- We are committed to keeping global heating below the 1.5 °C goal of the Paris Agreement.
- We are committed to putting inclusive climate action at the center of all urban decision making, to create thriving and equitable communities for everyone.
- We invite our partners – political leaders, CEOs, trade unions, investors, and civil society – to join us in recognizing the global climate emergency and help us deliver on science based action to overcome it.

02

Pledge to reach net -zero in the 2040s or by mid - century at the latest and limit warming to 1.5 °C.

03

Plan to set an interim 2030 target consistent with a fair share of 50% global emission reductions.

04

Proceed to planning at least one inclusive climate action, eg. Procure only zero emission buses from 2025.

05

Publish your target and action to your usual reporting platform and report progress annually.



The ICLEI 150 is a movement of local governments across the ICLEI USA network stepping up to join the Cities Race to Zero to cut global emissions in half by 2030 and to zero by 2050.

ICLEI 150 Technical Support



**Your
Science-Based
Target**



**High-Impact
Action
Identification**



**Personalized
Support
Package**



**Tech Assistance
To Proceed
on Action**

2030 Science-Based Targets (SBTs)



SBTs include a 2050 zero carbon goal and an interim 2030 goal.
To meet the Paris Agreement commitment of keeping warming below 1.5°C.



SBTs are significant because:

- It is important to have a short term goal.
- Most short terms goals aren't aligned with SBTs.
- Most analyses are outdated.



ICLEI's calculation methodology is based on the World Wide Fund for Nature's (WWF) One Planet City Challenge (OPCC) and uses inventories from between 2016 and 2019

Nationwide SBT Overview

Per Capita SBT

62.8-63.4%

Min-Max

63.3%

Average and Median

Absolute SBT

45.2-64.4%

Min-Max

60.7%

Average

62.2%

Median

High Impact Action Pathways

Accelerating



Renewable Energy



Building Electrification (and Efficiency): New and Existing



EV Transition
(and VMT Reduction)



It can't be done alone.

The High Impact Action Pathways include avenues for advocacy and collaboration for systemic change

Supporting



Waste and Methane



Nature-Based Solutions



Sustainable Food Systems



Circular Economy



Community Resilience,
Health, and Equity (Just and
Equitable Transition)

High Impact Action Pathways

General Categories:

1. Grid Decarbonization
2. VMT Reduction
3. Vehicle Electrification
4. Building Efficiency
 - a. New and Existing
5. Building Electrification
 - a. New and Existing

HIA Summary Report (1/2)

SBT and Emissions	2030 Per Capita	2030 Absolute	Baseline Scope 1 & 2	2030 Scope 1 & 2
	63.4%	56.6%	8,998,051	3,909,274

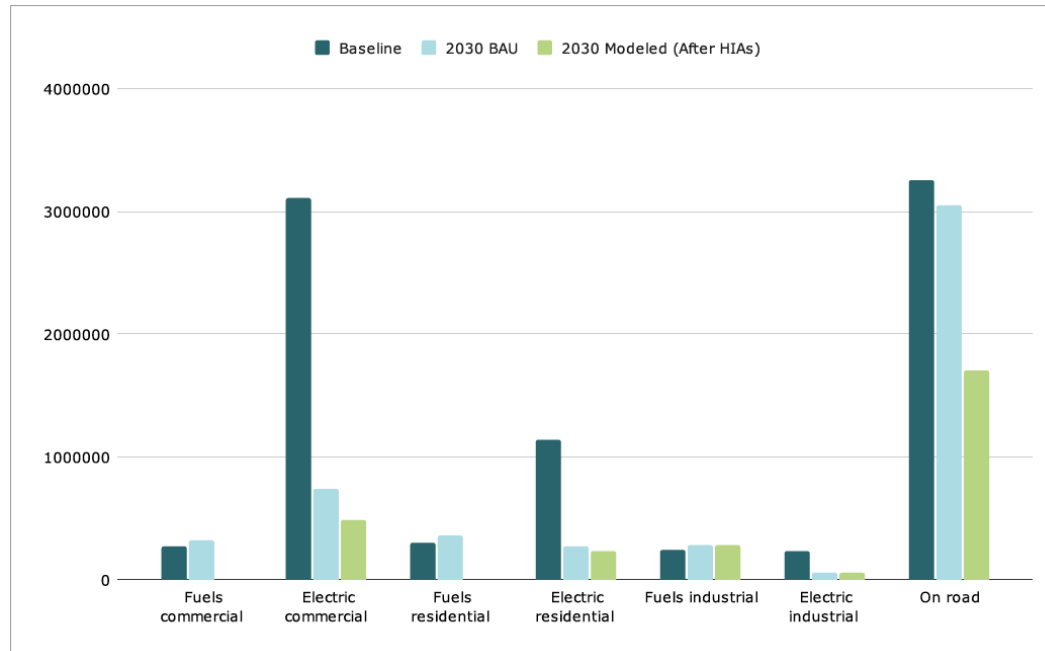
Growth Rates	Commercial Population Growth	Residential Population Growth	Industrial Population Growth	On-Road Population Growth	Grid Decarbonization CES
	18.74%	18.74%	18.74%	18.74%	-80.00%

	Baseline & BAU 2030 Emissions			Modeled Emissions (After HIAs)	
	Baseline Emissions	% of total (Adjusted)	2030 BAU Emissions	2030 Modeled Emissions	Change
Fuels commercial	266,379	3%	316,300.64	0.00	-100.00%
Electric commercial	3,103,950	34%	737,131.86	480,375.41	-34.83%
Fuels residential	302,515	3%	359,208.72	0.00	-100.00%
Electric residential	1,140,428	12%	270,830.98	235,194.61	-13.16%
Fuels industrial	238,965	3%	283,749.52	283,749.52	0.00%
Electric industrial	232,642	3%	55,248.20	55,248.20	0.00%
On road	3,257,741	35%	3,047,320.78	1,706,499.64	-44.00%
Sum of Primary Sectors	8,542,620	93%	5,069,790.71	2,761,067.38	-45.54%
Inventory Total	19,040,657	-	-	-	-

HIA Overview			
Type	Name	Net Reduction (MT CO2e)	Description
Grid Decarbonization	CES	1,009,973.31	80% Reduction in carbon intensity (kg CO2/MWh) by 2030.
High Level VMT Reduction	Aggressive (20% VMT Reduction Annually)	609,464.16	20% Reduction in total VMT
On-road Electric Vehicles Adoption	California-BAU (6% Annual Growth)	663,030.82	30% of VMT is EV by 2030. This action influences an increase in Residential & Commercial buildings electricity emissions.
Commercial Building Efficiency	IECC New + 10% Existing	282,213.30	All new buildings and 1% of existing Sq FT (renovations and turnover) will meet IECC 2018 (37.30% reduction in building EUI) & 10% Existing Sq FT (renovations and turnover) EUI is reduced by 20%.
Residential Building Efficiency	IECC New + 10% Existing	103,688.51	All new buildings and 1% of existing Sq FT (renovations and turnover) will meet IECC 2018 (37.30% reduction in building EUI) & 10% Existing Sq FT (renovations and turnover) EUI is reduced by 20%.
Commercial Building Electrification	New + 11% EB Electrified	304,509.03	All new buildings & 11% Existing Sq FT per year are electrified. This action influences an increase in Commercial buildings electricity emissions.
Residential Building Electrification	New + 11% EB Electrified	345,817.51	All new buildings & 11% Existing Sq FT per year are electrified. This action influences an increase in Residential buildings electricity emissions.

HIA Summary Report (2/2)

2030 Outlook	2030 HIA Modeled Emissions + Other Scope 1	Reduction Achieved (Absolute)	Percent To Go (Absolute)	2030 Modeled Emissions (Per Capita)	Reduction Achieved (Per Capita)	Percent To Go (Per Capita)
		3,216,498.82	64.3%	-7.7%	5.73	69.9%



Upcoming Resources

- Resource guides (curation of existing resources) for grid decarbonization, EV transition, and building electrification.
- **California specific webinars for achieving science based targets**



GETTING TO zero

ABOUT LEADERS CIRCLE LOCAL NET ZERO NEXT GEN RESOURCE HUB CASE STUDIES WEBINARS JOIN US

CODES & POLICY RESOURCES

An increasing number of cities, counties, and states around the US are committed to reducing their greenhouse gas emissions. Here we provide a curated list of leading energy goals, policies, and energy stretch codes from states and local jurisdictions, as well as programs that support jurisdictions. Resources include legislation, strategic plans, energy and climate action plans, roadmaps, stretch codes, and more.

Policies, plans, programs, and energy codes can dramatically change the landscape for zero energy and zero carbon buildings. There is increasing market interest in getting to zero and policies and programs can foster and grow that interest through advocacy, direct support, and the reduction of risk and uncertainty. Some states and cities are implementing mandatory zero policies while leading state and local governments are working to pursue goals via methods ranging from standards imposed on government buildings, to codes regulating all new construction within their state. National leaders include California, Washington State, New York, Massachusetts, and Vermont. Building policies for agencies within the federal government have also made large strides in recognizing the importance of zero and working toward this goal. Aggressive steps for building energy use and carbon reduction at all levels encourage architects and engineers to design for getting to zero.

ROADMAPS AND GOAL SETTING
HOW JURISDICTIONS ARE LEADING

STRETCH AND ADVANCED ENERGY CODES
STRETCH CODES FOR ENERGY AND CARBON REDUCTION

RENEWABLES AND GRID INTEGRATION
DISTRIBUTED CLEAN ENERGY RESOURCES AND THE GRID

PROGRAMS
SUPPORTING ZERO GOALS

Filter by Topic

Select one or more topics to filter the list of resources

0/0/0

- Code
- Legislation
- Low And Community
- Education
- Carbon
- Climate Action

DO NO HARM: ACHIEVING NET ZERO BUILDINGS [🔗](#)

This video presentation with speakers from ICF, Kangoan, ZH Architects, and Building Energy Exchange features high-scale, real world projects and illustrates the power of urban zero energy targets to meet long-term climate action goals as well as interim targets like New York City's carbon emissions limit for buildings (L1-17).

EXPLORING BUILDING PERFORMANCE STANDARDS [🔗](#)

Fighting climate change at the local level means taking concrete steps to reduce carbon emissions generated by buildings. One of the most powerful ways to do this is by shifting to mandatory policies - the most powerful of which is a building performance standard. The Institute for Mass Transformation's expertise on building performance standards includes a fact sheet, a comparison of building performance standards across the United States, and targeted resources for local governments and building owners and tenants.

Page 14.22

BUILDING ELECTRIFICATION INSTITUTE

City Playbooks for the Equitable Electrification of Multifamily Buildings

The City Playbooks for the Equitable Electrification of Multifamily Buildings were developed collaboratively with sustainability experts from Somerville, MA, and New York, NY, with input from Massachusetts Clean Energy Center (MassCEC), New York State Energy Research and Development Authority (NYSERDA), New York City Housing Preservation and Development (HPD), and Emerald Cities Collaborative.

The project was funded thanks to support from the Urban Sustainability Directors Network.

CITY PLAYBOOKS FOR THE EQUITABLE ELECTRIFICATION OF MULTIFAMILY BUILDINGS

Playbook 1: Multifamily Electrification Roadmap and Recommendations

CITY PLAYBOOKS FOR THE EQUITABLE ELECTRIFICATION OF MULTIFAMILY BUILDINGS

Playbook 2: Multifamily Electrification Barriers and Considerations

CITY PLAYBOOKS FOR EQUITABLE ELECTRIFICATION OF MULTIFAMILY BUILDINGS

Playbook 3: Multifamily Guidelines for Building Owners

REPORTING

Signatories must report their targets and actions through the CDP - ICLEI Unified Reporting System.

In 2022, cities will report confirmed or updated targets, and start reporting progress annually.

Cities that have not reported before will be guided through this process.



CDP-ICLEI UNIFIED REPORTING SYSTEM

A streamlined free-to-use platform for local governments to annually report their climate and environmental data



- ▼ CDP is a global environmental non-profit working to secure a thriving economy that works for people and planet in the long term.
- ▼ Aims to make environmental reporting mainstream and provide detailed insights to drive action for a climate safe, water secure, deforestation free world.
- ▼ In 2020, over 800 cities from around the world reported through the CDP-ICLEI Unified Reporting System.



ICLEI social media and newsletter highlights

Potential media opportunities

In-house communications support, including social, press release, and other media guidance

Menlo Park, CA

- 2030 Per Capita target = **63.4%**
- 2030 Absolute Target = **61.4%**

Type	Name	Net Reduction (MT CO2e)	Description
Grid Decarbonization	CES	18,154	Clean Energy Standard: 80% Reduction in carbon intensity (kg CO2/MWH) by 2030.
High Level VMT Reduction	Moderate (10% VMT Reduction)	13,013	10% Reduction in total VMT
On-Road Electric Vehicles Adoption	California-BAU (6% Annual Growth)	34,703	30% of VMT is EV by 2030. This action influences an increase in Residential & Commercial buildings electricity emissions.
Commercial Building Efficiency	IECC New + 10% Existing	903	All new buildings and 1% of existing Sq FT (renovations and turnover) will meet IECC 2018 (36.95% reduction in building EUI) & 10% Existing Sq FT (renovations and turnover) EUI is reduced by 20%.
Residential Building Efficiency	5% EB Renovated	140	5% of all SF (existing) per year is reduced by 20% (energy)
Commercial Building Electrification	New + 11% EB Electrified	64,674	All new buildings & 11% Existing Sq FT per year are electrified. This action influences an increase in Commercial buildings electricity emissions.
Residential Building Electrification	5% EB Electrified	22,048	5% of existing SF per year is electrified. This action influences an increase in Residential buildings electricity emissions.



California Cities in the Race to Zero

- San Jose, CA
- Palo Alto, CA
- Hayward, CA
- Berkeley, CA
- Fremont, CA
- Oakland, CA
- San Francisco, CA
- Cupertino, CA

- Chula Vista, CA
- Davis, CA
- Glendale, CA
- Los Angeles, CA
- San Diego, CA
- Santa Cruz, CA
- Santa Monica, CA
- West Hollywood, CA
- Irvine, CA
- Manhattan Beach, CA
- Sacramento, CA

Getting Started

1. Adopt Council Resolution
2. Commit to the ICLEI150
3. Complete/Review Inventory (2016-2019)
4. ICLEI will recalculate SBT and HIA summary
5. Set up meetings to customize HIAs



ICLEI150 COMMITMENT FORM

I have read the information below about the ICLEI150 and the Race to Zero commitment and I understand all that is expected of me, my staff, and ICLEI USA. By signing below, I agree to participate and to allow ICLEI to publish our commitment, target, and actions on the ICLEI USA website and to report this information to the global Cities Race to Zero platform.

I pledge to join the ICLEI150 on the Race to Zero on behalf of _____
(name of state) (name of city/county)

Race To Zero is a global campaign (established June 2020) of the United Nations' Climate Champions to rally leadership and support from businesses, cities, regions, investors for a healthy, resilient, zero-carbon recovery that prevents future threats, creates decent jobs, and unlocks inclusive, sustainable growth.

CITIES

RACE TO ZERO



Thank you

Calyn.Hart@iclei.org

iclei.usa.org/race-to-zero/



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STAFF REPORT

City Council

Meeting Date:

4/12/2022

Staff Report Number:

22-064-CC

Consent Calendar:

Authorize the city manager to enter into a contract with Dudek to prepare an environmental impact report and housing needs assessment for the proposed life science project at 1005 O'Brien Drive and 1320 Willow Road for the amount of \$244,863 and future augments as may be necessary to complete the environmental review and housing needs assessment for the proposed project

Recommendation

Staff recommends that the City Council authorize the city manager to execute the contract, attached hereto as Attachment A, with Dudek for the amount of \$244,863 and future augments as may be necessary to complete the environmental review and housing needs assessment (HNA) for the proposed 1005 O'Brien and 1320 Willow Road project based on the proposed scope and budget (Attachment B.)

Policy Issues

City Council Resolution No. 6479 authorizes the city manager to execute agreements necessary to conduct City business up to a stated award authority level which adjusts annually based on changes in the construction cost index. The current award authority is \$79,000. While the project applicant is responsible for the full cost of preparing any required environmental impact report (EIR) for a submitted project, and no taxpayer funds are being used for said purpose, the City Council retains discretion for all agreements exceeding the award authority delegated to the city manager.

The City Council would be the final decision making body for the proposed project because it includes a request for a development agreement to allow for a phased construction timeline. The City Council will ultimately need to consider the adequacy of the environmental review and the merits of the proposed project, including the request for bonus level development and the associated community amenities provided through the proposed project. Authorizing the city manager to enter into a contract with Dudek would allow the City to conduct the environmental review and the HNA for the project proposal. A separate fiscal impact analysis (FIA), which could likely be authorized under the city manager's award authority, will be prepared to provide the public and City Council with information related to the fiscal impacts of the project. Approval of the environmental review contract does not imply an endorsement of a project, but rather initiates the process to identify potential environmental impacts of the project for consideration during entitlement review. The policy implications of the project proposal are considered on a case-by-case basis, and will be informed by additional analysis as the project review proceeds.

Background

On June 25, 2021, the City received a development application for the 1005 O'Brien Drive and 1320 Willow Road project. The applicant proposes to construct two new research and development (R&D) buildings

totaling approximately 228,000 square feet and a six-story parking structure, located in the LS-B (Life Science, Bonus) zoning district. The project site currently contains three existing R&D, commercial, and warehouse buildings with six tenant spaces, which would be demolished as part of the project. The new buildings would have a total proposed floor area ratio (FAR) of 124 percent. The proposal includes a request for an increase in height and FAR under the bonus level development allowance in exchange for community amenities. Select plan sheets from the project plans are included in Attachment C.

The three parcels that make up the project site have a total area of approximately 4.2 acres. The project would include a merger of two parcels along O'Brien Drive and lot line adjustments to create two parcels in a new configuration for the proposed buildings. The project site is bounded to the south by O'Brien Drive and the Eternal Life Church, to the north by Mid-Peninsula High School and the San Francisco Public Utility (SFPUC) Hetch Hetchy water transmission pipes, to the east by two existing life science and warehousing buildings, and to the west by Willow Road. A location map identifying the project site is included in Attachment D.

On February 14, 2022, the Planning Commission held a study session for the proposed project to provide initial feedback. No actions were taken at the meeting.

Environmental review process overview

One of the purposes of the California Environmental Quality Act (CEQA) is to inform decision makers and the public about the potential significant environmental effects of a proposed project. For purposes of CEQA, the environment includes the physical conditions within the area that could be affected by a proposed project, such as land, air, water, plants and animals, noise, and objects of historic or aesthetic significance. An EIR must be prepared whenever it is established that a proposed project may have a significant effect on the environment. In this case, the project EIR would also comply with the 2017 settlement agreement between the City of Menlo Park and the City of East Palo Alto. The EIR would, at a minimum, include a project level transportation impact analysis (TIA) and a HNA, as outlined in the settlement agreement. The EIR will not only provide information about potentially significant environmental impacts, but also identify ways in which the significant effects of the proposed project might be minimized and identify alternatives to the proposed project. The main substantive components of an EIR are as follows:

- The project description, which discloses the activity that is proposed for approval;
- Discussion and analysis of significant environmental effects of the proposed project, including cumulative impacts and growth-inducing impacts;
- Discussion of ways to mitigate or avoid the proposed project's significant environmental impacts; and
- Discussion of alternatives to the project as proposed.

The EIR process begins with an initial study to determine topic areas that warrant further review in an EIR. Following City Council approval of the EIR consultant contract, the City will prepare the initial study. Based on the results of the initial study, the City will issue a notice of preparation (NOP), which signifies to public agencies and the public that the City plans to prepare an EIR for the proposed project. The notice is designed to seek guidance from interested agencies and members of the public on the scope and content of the EIR.

The release of the NOP begins the process for agency and early public consultation, which is referred to as the "scoping" process. The scoping process is designed to enable the City to determine the scope and contents of the EIR at an early stage, including identifying possible issues to be studied, topic areas that do not warrant additional study based on specifics of the proposed project, and possible alternatives and mitigation measures to be analyzed and considered in the EIR. As part of the scoping process, the Planning

Commission would hold a public meeting or scoping session for the EIR for the proposed project. The scoping session is an opportunity for the Planning Commission and public to provide comments on the scope and content in the EIR. Oral comments received during the scoping session and written comments received during the NOP comment period on the scope and content of the environmental review will be considered while preparing the draft EIR.

Following review of the comments received during the scoping process, a draft EIR would be prepared and processed in accordance with CEQA and the CEQA Guidelines in effect at the time of the release of the NOP. Upon release of the draft EIR, there is an opportunity for agencies and the public to comment on the analysis in the draft EIR. The comments received during the draft EIR review period are considered and responded to in the final EIR. The final EIR is released for public review. The City Council, as the final decision-making body for the proposed project, will review and determine if the EIR can be certified as compliant with CEQA's legal requirements. Certification of the EIR as legally compliant with CEQA requirements must be completed before action on the proposed project and does not indicate approval of the project. In addition to the EIR process, concurrently, the City's consultants will be working to prepare an HNA and a FIA which will be reviewed by the City Council before final action on the proposed project. Finally, the proposed project will go through an appraisal process to determine the value of required community amenities because the project is seeking bonus level development.

Project-specific EIR requirements

The proposed project does not exceed the square footage of life science development analyzed in the ConnectMenlo EIR. The ConnectMenlo EIR studied 2,100,000 square feet of net new gross floor area in the Bayfront Area. This proposed project, in combination with other proposed projects, would not exceed the studied GFA, and therefore the EIR may be a focused EIR, tiering from the ConnectMenlo EIR, and may only study topics found to have a potentially significant impact.

Further, the scope includes the preparation of a project-specific HNA to inform the population and housing topic area as well as to provide decision makers with additional information regarding the project's potential impacts on housing. Pursuant to the City Council's direction October 6, 2020 the consultant will be given the housing inventory and local supply study entitled "Investment and Disinvestment as Neighbors" prepared by the UC Berkeley Center for Community Innovation in close collaboration with the Y-Plan initiative to use as applicable in its baseline analysis (Attachment F as a hyperlink.)

Consistent with Senate Bill 743, the project level TIA will evaluate the vehicle miles traveled (VMT) associated with the project for consistency with the adopted local VMT thresholds. While the environmental analysis will utilize the VMT standards to assess potential transportation impacts and potential mitigation measures under CEQA, the TIA will continue to analyze level of service (LOS) in accordance with the City's TIA guidelines. Analyzing LOS provides City decision makers with information regarding vehicle delay impacts and whether the proposed project complies with the applicable general plan goals, policies and programs. While the City cannot impose mitigation measures to address LOS through the EIR, it can impose conditions through the entitlement process to ensure the project complies with the general plan. Staff typically recommends LOS improvements that are consistent with the City's current General Plan policies related to LOS that also do not require right of way acquisition or removal or reduction of facilities for pedestrians or bicyclists. The decision-making body charged with certification of the EIR would make the decision of whether or not to impose conditions to implement LOS improvements.

Analysis

As part of the EIR consultant selection process, staff typically requests proposals from multiple environmental consulting firms. The list of firms is determined by the City and, as a courtesy, shared with

the applicant team, who is responsible for the full cost of the preparation of the environmental analysis under CEQA. For the proposed project, staff compiled a list of 10 firms to reach out to in order to create a list of interested consultants. Of the 10 firms staff contacted, nine expressed interest in providing scopes and one indicated that they did not have the capacity to work on the EIR. Subsequently, staff provided the nine interested consultants with a request for a proposal and received proposals from two firms: Dudek and LSA. The other seven firms did not submit proposals. Both firms selected subconsultants to prepare the HNA and/or other studies and EIR topic areas depending on the qualifications and capabilities of the prime environmental consultant. A brief comparison of the two scopes is provided in Table 1 below.

Table 1: Comparison of project EIR scopes and budgets		
	LSA	Dudek
Subconsultants	• HNA: Keyser Marston Associates (KMA)	• HNA: Bay Area Economics (BAE)
Experience	Consultant team served as the primary EIR consultant on recent residential and mixed-use projects in the Bayfront, including Menlo Uptown, Menlo Portal, Menlo Flats and 111 Independence Drive	Consultant team is currently serving as the primary EIR consultant on the 123 Independence Drive project
Other key factors	LSA's in-house team includes environmental planners and transportation engineers, reducing the number of subconsultants KMA has prepared HNAs for several Menlo Park projects including Menlo Uptown, Menlo Portal, Menlo Flats and 111 Independence Drive	Dudek's in-house team includes environmental planners and transportation engineers, reducing the number of subconsultants BAE has prepared HNAs for East Palo Alto development projects and is preparing the HNA for 123 Independence Drive
Schedule	Approximately 60 weeks	Approximately 54 weeks
Cost	\$175,800	\$244,863

The two scopes are included in this staff report as Attachments B and E.

City staff evaluated the two scopes and believes both consultant teams are qualified to develop the project EIR. However, staff recommends that the City Council select Dudek for the EIR contract for the following reasons:

1. Dudek has extensive experience preparing CEQA documents for cities throughout the Bay Area and California, and a large in-house team capable of performing the majority of studies required for an EIR;
2. Although both firms are currently working on EIRs in the Bayfront, Dudek is only working on one, while LSA has worked on four projects. Selecting Dudek would allow for a continued diversification of EIRs and would further develop the City's working relationship with the firm;
3. BAE, a subconsultant to Dudek, has experience in preparing HNAs for East Palo Alto and would add to the diversity of HNAs being prepared for Menlo Park; and
4. Although the proposed budget is considerably more expensive, the Dudek proposal assumes a quicker project timeline. However, the scope and depth of the analysis remains appropriate for the proposed project, the budget is comparable to EIR budgets for other life science projects currently under review, and the applicant has expressed their willingness to pay the additional cost.

As part of the initial stages of the environmental and entitlement analysis, it may be determined that additional technical analyses are required; therefore, staff is recommending that the City Council provide the city manager the authority to approve future contract augmentations, if needed. The draft contract indicating

Dudek as the primary consultant and the proposed budget is included as Attachment A.

Impact on City Resources

The applicant is required to pay all planning, building and public works permit fees, based on the City's master fee schedule, to fully cover the cost of staff time spent on the review of the project. The applicant is also required to bear the cost of the associated environmental review and fiscal analysis. For the environmental review, fiscal analysis, and other supporting studies required by the City, the applicant deposits money with the City and the City pays the consultants. Notwithstanding, the scope and content of the EIR is determined by the City in its sole discretion and the City is the final decision maker on the adequacy of the document.

Environmental Review

An EIR will be prepared for the proposed project evaluating all applicable topic areas required under CEQA. The EIR will tier from the program level EIR prepared for the ConnectMenlo general plan and zoning ordinance update. As described above, the EIR will analyze the potential environmental impacts of the proposed project, but at a minimum, the EIR will study transportation and housing impacts per the 2017 settlement agreement with the City of East Palo Alto.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Consultant services agreement with Dudek
- B. EIR scope and budget proposal from Dudek
- C. Project plans (select sheets)
- D. Location map
- E. EIR scope and budget proposal from LSA
- F. Hyperlink – housing inventory and local supply study:
menlopark.org/DocumentCenter/View/25939/Housing-Inventory-and-Supply-Study

Report prepared by:
Chris Turner, Assistant Planner

Report reviewed by:
Kyle Perata, Acting Planning Manager
Nira Doherty, City Attorney

CONSULTANT AGREEMENT

City Manager's Office
 701 Laurel St., Menlo Park, CA 94025
 tel 650-330-6620



Agreement #:
AGREEMENT FOR SERVICES BETWEEN THE CITY OF MENLO PARK AND DUDEK
THIS AGREEMENT made and entered into at Menlo Park, California, this _____, by and between the CITY OF MENLO PARK, a Municipal Corporation, hereinafter referred to as "CITY," and DUDEK, hereinafter referred to as "FIRST PARTY."
<p>WITNESSETH:</p> <p>WHEREAS, O'Brien Drive Portfolio LLC, propose to demolish three existing, one-story commercial buildings on three parcels located at 1005 O'Brien Drive and 1320 Willow Road (Assessor's Parcel numbers 055-421-050, 055-421-060 and 055-421-160), Menlo Park, and to construct one new five story R&D building and one new four-story R&D building totaling approximately 228,262 square feet, and a six-story parking structure in the Life Science, Bonus (LS-B) zoning district, hereafter referred to as the "Project", and</p> <p>WHEREAS, the City has determined that under the California Environmental Quality Act and its applicable guidelines the Project requires the preparation of an Environmental Impact Report, hereinafter referred to as the "EIR"; and</p> <p>WHEREAS, FIRST PARTY is licensed to perform said services and desires to and does hereby undertake to perform said services.</p> <p>NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, PROMISES AND CONDITIONS of each of the parties hereto, it is hereby agreed as follows:</p>
1. SCOPE OF WORK
In consideration of the payment by CITY to FIRST PARTY, as hereinafter provided, FIRST PARTY agrees to perform all the services as set forth in Exhibit "A," Scope of Services.

2. SCHEDULE FOR WORK

FIRST PARTY's proposed schedule for the various services required pursuant to this agreement will be as set forth in Exhibit "A," Scope of Services. CITY will be kept informed as to the progress of work by written reports, to be submitted monthly or as otherwise required in Exhibit "A." Neither party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents or other events beyond the control of the other, or the other's employees and agents.

FIRST PARTY shall commence work immediately upon receipt of a "Notice to Proceed" from CITY. The "Notice to Proceed" date shall be considered the "effective date" of the agreement, as used herein, except as otherwise specifically defined. FIRST PARTY shall complete all the work and deliver to CITY all project related files, records, and materials within one month after completion of all of FIRST PARTY's activities required under this agreement.

3. PROSECUTION OF WORK

FIRST PARTY will employ a sufficient staff to prosecute the work diligently and continuously and will complete the work in accordance with the schedule of work approved by the CITY. (See Exhibit "A," Scope of Services).

4. COMPENSATION AND PAYMENT

- A. CITY shall pay FIRST PARTY an all-inclusive fee that shall not exceed \$244,863 as described in Exhibit "A," Scope of Services. All payments shall be inclusive of all indirect and direct charges to the Project incurred by FIRST PARTY. The CITY reserves the right to withhold payment if the City determines that the quantity or quality of the work performed is unacceptable.
- B. FIRST PARTY's fee for the services as set forth herein shall be considered as full compensation for all indirect and direct personnel, materials, supplies and equipment, and services incurred by FIRST PARTY and used in carrying out or completing the work.
- C. Payments shall be monthly for the invoice amount or such other amount as approved by CITY. As each payment is due, the FIRST PARTY shall submit a statement describing the services performed to CITY. This statement shall include, at a minimum, the project title, agreement number, the title(s) of personnel performing work, hours spent, payment rate, and a listing of all reimbursable costs. CITY shall have the discretion to approve the invoice and the work completed statement. Payment shall be for the invoice amount or such other amount as approved by CITY.
- D. Payments are due upon receipt of written invoices. CITY shall have the right to receive, upon request, documentation substantiating charges billed to CITY. CITY shall have the right to perform an audit of the FIRST PARTY's relevant records pertaining to the charges.

5. EQUAL EMPLOYMENT OPPORTUNITY

- A. FIRST PARTY, with regard to the work performed by it under this agreement shall not discriminate on the grounds of race, religion, color, national origin, sex, handicap, marital status or age in the retention of sub-consultants, including procurement of materials and leases of equipment.
- B. FIRST PARTY shall take affirmative action to insure that employees and applicants for employment are treated without regard to their race, color, religion, sex, national origin, marital status or handicap. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training including apprenticeship.
- C. FIRST PARTY shall post in prominent places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.
- D. FIRST PARTY shall state that all qualified applications will receive consideration for employment without regard to race, color, religion, sex, national origin, marital status or handicap.
- E. FIRST PARTY shall comply with Title VI of the Civil Rights Act of 1964 and shall provide such reports as may be required to carry out the intent of this section.
- F. FIRST PARTY shall incorporate the foregoing requirements of this section in FIRST PARTY's agreement with all sub-consultants.

6. ASSIGNMENT OF AGREEMENT AND TRANSFER OF INTEREST

- A. FIRST PARTY shall not assign this agreement, and shall not transfer any interest in the same (whether by assignment or novation), without prior written consent of the CITY thereto, provided, however, that claims for money due or to become due to the FIRST PARTY from the CITY under this agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of an intended assignment or transfer shall be furnished promptly to the CITY.
- B. In the event there is a change of more than 30 percent of the stock ownership or ownership in FIRST PARTY from the date of this agreement is executed, then CITY shall be notified before the date of said change of stock ownership or interest and CITY shall have the right, in event of such change in stock ownership or interest, to terminate this agreement upon notice to FIRST PARTY. In the event CITY is not notified of any such change in stock ownership or interest, then upon knowledge of same, it shall be deemed that CITY has terminated this agreement.

7. INDEPENDENT WORK CONTROL

It is expressly agreed that in the performance of the service necessary for compliance with this agreement, FIRST PARTY shall be and is an independent contractor and is not an agent or employee of CITY. FIRST PARTY has and shall retain the right to exercise full control and supervision of the services and full control over the employment, direction, compensation and discharge of all persons assisting FIRST PARTY in the performance of FIRST PARTY's services hereunder. FIRST PARTY shall be solely responsible for its own acts and those of its subordinates and employees.

8. CONSULTANT QUALIFICATIONS

It is expressly understood that FIRST PARTY is licensed and skilled in the professional calling necessary to perform the work agreed to be done by it under this agreement and CITY relies upon the skill of FIRST PARTY to do and perform said work in a skillful manner usual to the profession. The acceptance of FIRST PARTY's work by CITY does not operate as a release of FIRST PARTY from said understanding.

9. NOTICES

All notices hereby required under this agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid or by overnight courier service. Notices required to be given to CITY shall be addressed as follows:

Deanna Chow
 Community Development
 City of Menlo Park
 701 Laurel St.
 Menlo Park, CA 94025
 650-330-6733
 dmchow@menlopark.org

Notices required to be given to FIRST PARTY shall be addressed as follows:

Katherine Waugh
 Dudek
 853 Lincoln Way, Suite 208
 Auburn, CA 95603
 530-863-4642
 kwaugh@dudek.com

Provided that any party may change such address by notice, in writing, to the other party and thereafter notices shall be addressed and transmitted to the new address.

10. HOLD HARMLESS

The FIRST PARTY shall defend, indemnify and hold harmless the CITY, its subsidiary agencies, their officers, agents, employees and servants from all claims, suits or actions that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the FIRST PARTY brought for, or on account of, injuries to or death of any person or damage to property resulting from the performance of any work required by this agreement by FIRST PARTY, its officers, agents, employees and servants. Nothing herein shall be construed to require the FIRST PARTY to defend, indemnify or hold harmless the CITY, its subsidiary agencies, their officers, agents, employees and servants against any responsibility to liability in contravention of Section 2782.8 of the California Civil Code.

11. INSURANCE

- A. FIRST PARTY shall not commence work under this agreement until all insurance required under this Section has been obtained and such insurance has been approved by the City, with certificates of insurance evidencing the required coverage.
- B. There shall be a contractual liability endorsement extending the FIRST PARTY's coverage to include the contractual liability assumed by the FIRST PARTY pursuant to this agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to the CITY, at the address shown in Section 9, of any pending cancellation of the policy. FIRST PARTY shall notify CITY of any pending change to the policy. All certificates shall be filed with the City.
1. Workers' compensation and employer's liability insurance:
The FIRST PARTY shall have in effect during the entire life of this agreement workers' compensation and Employer's Liability Insurance providing full statutory coverage. In signing this agreement, the FIRST PARTY makes the following certification, required by Section 18161 of the California Labor Code: "I am aware of the provisions of Section 3700 of the California Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Code, and I will comply with such provisions before commencing the performance of the work of this agreement" (not required if the FIRST PARTY is a Sole Proprietor).
 2. Liability insurance:
The FIRST PARTY shall take out and maintain during the life of this agreement such Bodily Injury Liability and Property Damage Liability Insurance (Commercial General Liability Insurance) on an occurrence basis as shall protect it while performing work covered by this agreement from any and all claims for damages for bodily injury, including accidental death, as well as claims for property damage which may arise from the FIRST PARTY's operations under this agreement, whether such operations be by FIRST PARTY or by any sub-consultant or by anyone directly or indirectly employed by either of them. The amounts of such insurance shall be not less than one million dollars (\$1,000,000) per occurrence and one million dollars (\$1,000,000) in aggregate, or one million dollars (\$1,000,000) combined single limit bodily injury and property damage for each occurrence. FIRST PARTY shall provide the CITY with acceptable evidence of coverage, including a copy of all declarations of coverage exclusions. FIRST PARTY shall maintain Automobile Liability Insurance pursuant to this agreement in an amount of not less than one million dollars (\$1,000,000) for each accident combined single limit or not less than one million dollars (\$1,000,000) for any one (1) person, and one million dollars (\$1,000,000) for any one (1) accident, and Three Hundred Thousand Dollars, (\$300,000) property damage.
 3. Professional liability insurance:
FIRST PARTY shall maintain a policy of professional liability insurance, protecting it against claims arising out of the negligent acts, errors, or omissions of FIRST PARTY pursuant to this agreement, in the amount of not less than one million dollars (\$1,000,000) per claim and in the aggregate. Said professional liability insurance is to be kept in force for not less than one (1) year after completion of services described herein.
- C. CITY and its subsidiary agencies, and their officers, agents, employees and servants shall be named as additional insured on any such policies of Commercial General Liability and Automobile Liability Insurance, (but not for the Professional Liability and workers' compensation), which shall also contain a provision that the insurance afforded thereby to the CITY, its subsidiary agencies, and their officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy, and that if the CITY, its subsidiary agencies and their officers and employees have other insurance against a loss covered by a policy, such other insurance shall be excess insurance only.
- D. In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, CITY, at its option, may, notwithstanding any other provision of this agreement to the contrary, immediately declare a material breach of this agreement and suspend all further work pursuant to this agreement.
- E. Before the execution of this agreement, any deductibles or self-insured retentions must be declared to and approved by CITY.

12. PAYMENT OF PERMITS/LICENSES

Contractor shall obtain any license, permit, or approval if necessary from any agency whatsoever for the work/services to be performed, at his/her own expense, before commencement of said work/services or forfeit any right to compensation under this agreement.

13. RESPONSIBILITY AND LIABILITY FOR SUB-CONSULTANTS AND/OR SUBCONTRACTORS

Approval of or by CITY shall not constitute nor be deemed a release of responsibility and liability of FIRST PARTY or its sub-consultants and/or subcontractors for the accuracy and competency of the designs, working drawings, specifications or other documents and work, nor shall its approval be deemed to be an assumption of such responsibility by CITY for any defect in the designs, working drawings, specifications or other documents prepared by FIRST PARTY or its sub-consultants and/or subcontractors.

14. OWNERSHIP OF WORK PRODUCT

Work products of FIRST PARTY for this project, which are delivered under this agreement or which are developed, produced and paid for under this agreement, shall become the property of CITY. The reuse of FIRST PARTY's work products by City for purposes other than intended by this agreement shall be at no risk to FIRST PARTY.

15. REPRESENTATION OF WORK

Any and all representations of FIRST PARTY, in connection with the work performed or the information supplied, shall not apply to any other project or site, except the project described in Exhibit "A" or as otherwise specified in Exhibit "A."

16. TERMINATION OF AGREEMENT

- A. CITY may give thirty (30) days written notice to FIRST PARTY, terminating this agreement in whole or in part at any time, either for CITY's convenience or because of the failure of FIRST PARTY to fulfill its contractual obligations or because of FIRST PARTY's change of its assigned personnel on the project without prior CITY approval. Upon receipt of such notice, FIRST PARTY shall:
1. Immediately discontinue all services affected (unless the notice directs otherwise); and
 2. Deliver to the CITY all data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated or produced by FIRST PARTY in performing work under this agreement, whether completed or in process.
- B. If termination is for the convenience of CITY, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
- C. If the termination is due to the failure of FIRST PARTY to fulfill its agreement, CITY may take over the work and prosecute the same to completion by agreement or otherwise. In such case, FIRST PARTY shall be liable to CITY for any reasonable additional cost occasioned to the CITY thereby.
- D. If, after notice of termination for failure to fulfill agreement obligations, it is determined that FIRST PARTY had not so failed, the termination shall be deemed to have been effected for the convenience of the CITY. In such event, adjustment in the contract price shall be made as provided in Paragraph B of this Section.
- E. The rights and remedies of the CITY provided in this Section are in addition to any other rights and remedies provided by law or under this agreement.
- F. Subject to the foregoing provisions, the CITY shall pay FIRST PARTY for services performed and expenses incurred through the termination date.

17. INSPECTION OF WORK

It is FIRST PARTY's obligation to make the work product available for CITY's inspections and periodic reviews upon request by CITY.

18. COMPLIANCE WITH LAWS

It shall be the responsibility of FIRST PARTY to comply with all State and Federal Laws applicable to the work and services provided pursuant to this agreement, including but not limited to compliance with prevailing wage laws, if applicable.

19. BREACH OF AGREEMENT

- A. This agreement is governed by applicable federal and state statutes and regulations. Any material deviation by FIRST PARTY for any reason from the requirements thereof, or from any other provision of this agreement, shall constitute a breach of this agreement and may be cause for termination at the election of the CITY.
- B. The CITY reserves the right to waive any and all breaches of this agreement, and any such waiver shall not be deemed a waiver of any previous or subsequent breaches. In the event the CITY chooses to waive a particular breach of this agreement, it may condition same on payment by FIRST PARTY of actual damages occasioned by such breach of agreement.

20. SEVERABILITY

The provisions of this agreement are severable. If any portion of this agreement is held invalid by a court of competent jurisdiction, the remainder of the agreement shall remain in full force and effect unless amended or modified by the mutual consent of the parties.

21. CAPTIONS

The captions of this agreement are for convenience and reference only and shall not define, explain, modify, limit, exemplify, or aid in the interpretation, construction, or meaning of any provisions of this agreement.

22. LITIGATION OR ARBITRATION

In the event that suit or arbitration is brought to enforce the terms of this agreement, the prevailing party shall be entitled to litigation costs and reasonable attorneys' fees. The Dispute Resolution provisions are set forth on Exhibit "B," 'Dispute Resolution' attached hereto and by this reference incorporated herein.

23. RETENTION OF RECORDS

Contractor shall maintain all required records for three years after the City makes final payment and all other pending matters are closed, and shall be subject to the examination and /or audit of the City, a federal agency, and the state of California.

24. TERM OF AGREEMENT

This agreement shall remain in effect for the period of **Select start date** through **Select end date** unless extended, amended, or terminated in writing by CITY.

25. ENTIRE AGREEMENT

This document constitutes the sole agreement of the parties hereto relating to said project and states the rights, duties, and obligations of each party as of the document's date. Any prior agreement, promises, negotiations, or representations between parties not expressly stated in this document are not binding. All modifications, amendments, or waivers of the terms of this agreement must be in writing and signed by the appropriate representatives of the parties to this agreement.

26. STATEMENT OF ECONOMIC INTEREST

Consultants, as defined by Section 18701 of the Regulations of the Fair Political Practices Commission, Title 2, Division 6 of the California Code of Regulations, are required to file a Statement of Economic Interests with 30 days of approval of a contract services agreement with the City of its subdivisions, on an annual basis thereafter during the term of the contract, and within 30 days of completion of the contract.

Based upon review of the Consultant's Scope of Work and determination by the City Manager, it is determined that Consultant IS NOT required to file a Statement of Economic Interest. A statement of Economic Interest shall be filed with the City Clerk's office no later than 30 days after the execution of the agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

FOR FIRST PARTY:

Signature

Date

Printed name

Title

Tax ID#

APPROVED AS TO FORM:

Nira F. Doherty, City Attorney

Date

FOR CITY OF MENLO PARK:

Justin I.C. Murphy, Interim City Manager

Date

ATTEST:

Judi A. Herren, City Clerk

Date

EXHIBIT "A" – SCOPE OF SERVICES

A1. SCOPE OF WORK

FIRST PARTY agrees to provide consultant services for CITY's Community Development. In the event of any discrepancy between any of the terms of the FIRST PARTY's proposal and those of this agreement, the version most favorable to the CITY shall prevail. FIRST PARTY shall provide the following services:

Provide general consultant services for projects as determined by the CITY. The detailed scope of work for each task the CITY assigns the consultant shall be referred to as Exhibit A -1, which will become part of this agreement. A notice to proceed will be issued separately for each separate scope of work agreed to between the CITY and FIRST PARTY.

FIRST PARTY agrees to perform these services as directed by the CITY in accordance with the standards of its profession and CITY's satisfaction.

A2. COMPENSATION

CITY hereby agrees to pay FIRST PARTY at the rates to be negotiated between FIRST PARTY and CITY as detailed in Exhibit A-1. The actual charges shall be based upon (a) FIRST PARTY's standard hourly rate for various classifications of personnel; (b) all fees, salaries and expenses to be paid to engineers, consultants, independent contractors, or agents employed by FIRST PARTY; and shall (c) include reimbursement for mileage, courier and plan reproduction. The total fee for each separate Scope of Work agreed to between the CITY and FIRST PARTY shall not exceed the amount shown in Exhibit A-1.

FIRST PARTY shall be paid within thirty (30) days after approval of billing for work completed and approved by the CITY. Invoices shall be submitted containing all information contained in Section A5 below. In no event shall FIRST PARTY be entitled to compensation for extra work unless an approved change order, or other written authorization describing the extra work and payment terms, has been executed by CITY before the commencement of the work.

A3. SCHEDULE OF WORK

FIRST PARTY'S proposed schedule for the various services required will be set forth in Exhibit A-1.

A4. CHANGES IN WORK -- EXTRA WORK

In addition to services described in Section A1, the parties may from time to time agree in writing that FIRST PARTY, for additional compensation, shall perform additional services including but not limited to:

- Change in the services because of changes in scope of the work.
- Additional tasks not specified herein as required by the CITY.

The CITY and FIRST PARTY shall agree in writing to any changes in compensation and/or changes in FIRST PARTY's services before the commencement of any work. If FIRST PARTY deems work he/she has been directed to perform is beyond the scope of this agreement and constitutes extra work, FIRST PARTY shall immediately inform the CITY in writing of the fact. The CITY shall make a determination as to whether such work is in fact beyond the scope of this agreement and constitutes extra work. In the event that the CITY determines that such work does constitute extra work, it shall provide compensation to the FIRST PARTY in accordance with an agreed cost that is fair and equitable. This cost will be mutually agreed upon by the CITY and FIRST PARTY. A supplemental agreement providing for such compensation for extra work shall be negotiated between the CITY and the FIRST PARTY. Such supplemental agreement shall be executed by the FIRST PARTY and may be approved by the City Manager upon recommendation of the Assistant Community Development Director.

A5. BILLINGS

FIRST PARTY's bills shall include the following information: A brief description of services performed, project title and the agreement number; the date the services were performed; the number of hours spent and by whom; the current contract amount; the current invoice amount; Except as specifically authorized by CITY, FIRST PARTY shall not bill CITY for duplicate services performed by more than one person. In no event shall FIRST PARTY submit any billing for an amount in excess of the maximum amount of compensation provided in Section A2.

The expenses of any office, including furniture and equipment rental, supplies, salaries of employees, telephone calls, postage, advertising, and all other expenses incurred by FIRST PARTY in the performances of this agreement shall be incurred at the FIRST PARTY's discretion. Such expenses shall be FIRST PARTY's sole financial responsibility.

EXHIBIT “B” - DISPUTE RESOLUTION

- B1.0** All claims, disputes and other matters in question between the FIRST PARTY and CITY arising out of, or relating to, the contract documents or the breach thereof, shall be resolved as follows:
- B2.0 Mediation**
- B2.1** The parties shall attempt in good faith first to mediate such dispute and use their best efforts to reach agreement on the matters in dispute. After a written demand for non-binding mediation, which shall specify in detail the facts of the dispute, and within ten (10) days from the date of delivery of the demand, the matter shall be submitted to a mutually agreeable mediator. The Mediator shall hear the matter and provide an informal opinion and advice, none of which shall be binding upon the parties, but is expected by the parties to help resolve the dispute. Said informal opinion and advice shall be submitted to the parties within twenty (20) days following written demand for mediation. The Mediator’s fee shall be shared equally by the parties. If the dispute has not been resolved, the matter shall be submitted to arbitration in accordance with Paragraph B3.1.
- B3.0 Arbitration**
- B3.1** Any dispute between the parties that is to be resolved by arbitration as provided in Paragraph B2.1 shall be settled and decided by arbitration conducted by the American Arbitration Association in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, as then in effect, except as provided below. Any such arbitration shall be held before three arbitrators who shall be selected by mutual agreement of the parties; if agreement is not reached on the selection of the arbitrators within fifteen (15) days, then such arbitrator(s) shall be appointed by the presiding Judge of the court of jurisdiction of the agreement.
- B3.2** The provisions of the Construction Industry Arbitration Rules of the American Arbitration Association shall apply and govern such arbitration, subject, however to the following:
- B3.3** Any demand for arbitration shall be writing and must be made within a reasonable time after the claim, dispute or other matter in question as arisen. In no event shall the demand for arbitration be made after the date that institution of legal or equitable proceedings based on such claim, dispute or other matter would be barred by the applicable statute of limitations.
- B3.4** The arbitrator or arbitrators appointed must be former or retired judges, or attorneys at law with last ten (10) years’ experience in construction litigation.
- B3.5** All proceedings involving the parties shall be reported by a certified shorthand court reporter, and written transcripts of the proceedings shall be prepared and made available to the parties.
- B3.6** The arbitrator or arbitrators must be made within and provide to the parties factual findings and the reasons on which the decisions of the arbitrator or arbitrators is based.
- B3.7** Final decision by the arbitrator or arbitrators must be made within ninety (90) days from the date of the arbitration proceedings are initiated.
- B3.8** The prevailing party shall be awarded reasonable attorneys’ fees, expert and non-expert witness costs and expenses, and other costs and expenses incurred in connection with the arbitration, unless the arbitrator or arbitrators for good cause determine otherwise.
- B3.9** Costs and fees of the arbitrator or arbitrators shall be borne by the non-prevailing party, unless the arbitrator or arbitrators for good cause determine otherwise.
- B3.10** The award or decision of the arbitrator or arbitrators, which may include equitable relief, shall be final, and judgment may be entered on it in accordance with applicable law in any court having jurisdiction over the matter.

Cover Letter

January 7, 2021, updated February 28, 2022

Chris Turner, Senior Planner
City of Menlo Park
701 Laurel Street
Menlo Park, California 94025

Subject: 1005 O'Brien Drive and 1320 Willow Road Life Science Project Environmental Review

Dear Mr. Turner,

Dudek is pleased to submit this proposal to provide environmental services for the 1005 O'Brien Drive and 1320 Willow Road Life Science Project (Project or proposed Project), located in the Bayfront Area of the City of Menlo Park (City), California. We understand that the Project proposes a to construct new research and development (R&D) buildings and a parking structure, replacing the three existing R&D buildings on the site. We bring the following strengths to the Project:

CEQA Experts with Local Experience. We specialize in providing planning and environmental services to municipalities throughout the state. We have recent and current projects in several Bay Area jurisdictions, including the Cities of Menlo Park, Rohnert Park, San Francisco, Burlingame, Hayward, and Palo Alto. Dudek has one of California's most experience teams for California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) document preparation, having prepared and processed more than 3,200 CEQA/NEPA documents for a variety of projects, including residential, commercial, and mixed-use development.

Responsive Project Management. We will manage this contract from our Auburn office, with support from our other Northern California offices. Project manager Katherine Waugh will lead the Dudek team and serve as the primary point of contact. Ms. Waugh has extensive experience preparing CEQA documents and managing environmental compliance efforts for municipal projects throughout the region. She will be supported by technical leads with expertise in a wide range of disciplines to address the City's anticipated needs.

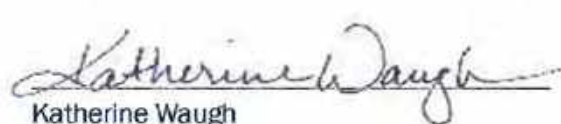
Unmatched Technical Assets. Our team has provided similar environmental services for projects through the State, including the Bay Area. Dudek has in-house specialists with expertise in biological and botanical resources, cultural and historic resources, air quality and noise, traffic and transportation, geographic information system (GIS) services, and regulatory compliance and permitting. Additionally, we are including BAE Urban Economics, Inc. (BAE) as a subconsultant to provide socioeconomic services for the Project.

We are excited about this opportunity to work with the City to facilitate a quick and seamless environmental review process for the Project. Should you have any questions, please contact Ms. Waugh at 530.863.4642 or kwaugh@dudek.com.

Sincerely,



Ann Sansevero, AICP
Principal



Katherine Waugh
Project Manager

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Firm Overview

The Dudek Advantage

We are a California-based environmental and engineering consulting firm with offices nationwide staffed by more than 700 planners, scientists, civil engineers, technical specialists, and support staff. We help our clients address challenges related to infrastructure, planning, and the environment, driving project progress and creating lasting results.

With analyses based in science and ethics, Dudek offers solutions that encompass the project lifecycle and anticipate future needs. Our professionals find practical, cost-effective approaches to help you achieve your project-specific and overall goals. We work to build your trust, which allows us to offer constructive and durable project solutions.

Commitment to Diversity and Inclusion

In 2020, Dudek had a goal to define our commitment to diversity and inclusion. In the midst of launching that effort, we were, and are still, presented with national news reminding us that racial injustice persists in our communities. Right now, Dudek's commitment to diversity entails:

- Launching a new statement defining our mission and strategy to reflect diversity, inclusion, and equity across our organization. Leveraging this statement to spark and encourage internal dialogues and make specific commitments to actions that follow our mission and strategy.
- Supporting our communities through strategic partnerships and outreach. We are supporting the National Urban League and partnering with local affiliates to develop and deliver education programs to encourage and foster diversity in our industry and support underserved communities.
- Expanding recruiting to reach a more diverse pool of candidates. We have partnered with America's Job Exchange to expand our reach and visibility within community-based organizations, Veteran and disabled-focused websites, and other niche sites focusing on diverse talent.
- Financially investing in underserved and minority communities. We have made a donation to the National Urban League and plan to continue this financial commitment by budgeting for this and similarly vetted organizations each year. We are additionally planning to provide scholarships through organizations like the National Urban League, to offer greater opportunity to a more diverse pool of students pursuing planning, engineering, and the sciences.
- Supporting our employees' diversity and inclusion efforts in their communities. Social responsibility is an integral piece of our culture. Dudek offers volunteer time for each employee to pursue causes of their own choosing.

Dudek at a Glance

- *Multidisciplinary environmental and engineering services*
- *Founded in 1980*
- *17 offices, including Oakland*
- *700+ employees*
- *Silver medal in sustainability achievement (EcoVadis, 2021)*
- *Top 120 U.S. Environmental Firms (Engineering News-Record, 2021)*
- *Top California Design Firm, #No. 52 (Engineering News-Record, 2021)*

Dudek's 2020 efforts reflect a direct response to a pivotal moment in time, but we will continue these and other diversity and inclusion efforts over time. Our ongoing mission is as follows:

At Dudek, we need inclusivity to succeed and diversity to lead.

We understand that the best problem solving happens when diverse viewpoints and experiences are applied. We recognize that different perspectives, inclusivity, and trust build a stronger culture and add value to our firm. We celebrate our differences and strive to make meaningful progress toward being a more diverse company. We are committed to continuous improvement, within our company and our communities, through incremental steps and bold decisions. We are more successful together.

Client Value Philosophy

Our project managers are empowered to solve problems and make decisions in a timely fashion to keep project momentum moving forward. With remarkably low employee turnover, our staff's long tenure means the team you meet at project start will see your projects through to completion. We offer the most value for clients by:

- Being the best integrated, multifaceted team in the industry, with high-quality work products and client-focused service
- Being engaged listeners to understand problems and think through the highest value-oriented approach
- Anticipating and planning for our clients' stakeholder needs
- Focusing on innovation to make smarter progress
- Being easy to work with because we are structured to support clients
- Understanding the stakes and the price of delays or failure

Dudek Expertise

Our depth and breadth of experience means we can quickly assemble and mobilize the appropriate level of service to match your project needs and budget. Our 700+ person in-house team includes:

- AICP-certified environmental planners
- CDFW- and USFWS-permitted biologists
- Registered professional archaeologists
- Registered landscape architects
- Registered environmental assessors
- Certified arborists and foresters
- Professional foresters
- Noise and air quality specialists
- Accredited LEED professionals
- Certified GIS professionals
- Licensed hydrogeologists
- Licensed geologists
- Licensed professional engineers
- Licensed contractors

Our History

Dudek was founded in 1980 in Encinitas, California, as a small civil engineering consulting practice working for municipal wastewater agencies and private land developers in San Diego County. The firm steadily grew its civil engineering practice through the 1980s, serving clients throughout Southern California. In 1990, Dudek started an environmental practice in response to expanding state and federal environmental regulations. In 2004, Habitat Restoration Sciences, Inc. was founded as a habitat restoration construction subsidiary branching out from the

restoration design practice. Primarily through organic growth and limited acquisitions of small firms, the firm has continued to extend its service offerings outside of California by opening offices in Oregon, Hawai'i, Virginia, and Florida.

Dudek started an employee stock ownership plan (ESOP) in the early 2000s and has regularly funded the ESOP from profits. The result of this continuous commitment to employee ownership culminated with Dudek transitioning to a wholly-owned ESOP in 2021. As the firm has grown and evolved, the ESOP has become a defining tool in driving employee engagement by promoting an ownership culture, enhancing employee retirement planning, and bolstering employee retention.

The firm maintains an organizational structure that empowers project managers to be decision-makers and entrepreneurs. Internal administrative processes are kept to a minimum, limiting internal bureaucracy and enabling project managers to be flexible and responsive to client needs.

Dudek celebrated its 40th anniversary in March of 2020. The firm now serves clients in the energy, transportation, municipal, education, and healthcare sectors, consists of 15 major practices, employs over 700 employees in 17 offices across the nation, and has projects spanning over 40 states in the U.S. Joseph Monaco serves as president and CEO.

CEQA/NEPA

Dudek has one of California's largest, most experienced teams for California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) document preparation. Our environmental planners have prepared and processed more than 3,200 CEQA/NEPA documents for a variety of large and small development, restoration, and conservation projects throughout the United States. Combining comprehensive analysis and research-based findings, we provide legally defensible documents that are supported by substantial evidence, none of which have ever been successfully overturned in court. We conduct technically sound assessments and manage environmental review processes in a streamlined, compliant, and straightforward manner.

Dudek's environmental experts work collaboratively with our clients, local, regional, state, and federal agencies, and the public to clearly define project objectives, address concerns, and outline appropriate processes. We apply practical CEQA/NEPA knowledge to comply with current laws, regulations, and case law. Our planners help clients creatively solve regulatory challenges within financial and scheduling constraints.

We produce complete CEQA/NEPA documents done right the first time. Our environmental planners work with our in-house technical editors and graphic designers to prepare high-quality documents that are clearly organized and easily interpreted by the public, agencies, and decision-makers responsible for future project development.

We efficiently coordinate and prepare technical reports by using a comprehensive team of multidisciplinary in-house technical experts. Our team expedites complex project processing by designing and maintaining realistic document schedules, adhering to consistent communication protocols, leveraging our longstanding agency relationships, and anticipating potential issues as soon as possible. We specialize in the following projects:

- Land development in environmentally constrained and/or habitat conservation planning areas
- Built environment in urban settings, considering potential impacts to historic resources, noise, and short-term construction-related effects
- High-profile development in the California coastal zone
- Major transmission lines, renewable energy developments, and natural gas storage facilities

- Public infrastructure for water, wastewater, and recycled water, road expansions, and rail lines
- Growth and infrastructure-planning for K-12 districts, colleges, and universities

Additionally, our planners expertly serve as independent, neutral staff, often managing the environmental review process for agencies on a contract basis.

BAE Urban Economics

BAE Urban Economics, Inc. (BAE) offers expertise to our clients regarding the effects that projects will have on local housing needs. Our housing needs assessments draw on our expertise in real estate market analysis, housing policy, and employment trends to determine the effect that new development will have on local housing needs and the capacity of the local housing market to absorb additional demand at each affordability level. We recently prepared housing needs assessments for the Cities of Los Angeles and Ventura as part of affordable housing fee studies for each city, calculating the additional demand for housing that would arise from a range of employment-generating uses. Our other recent projects include a hotel worker housing needs assessment for the City of Napa, which included an assessment of the availability of existing housing within Napa's commute shed and the extent to which planned and proposed residential development can absorb future workforce housing demand. In addition, BAE is very familiar with the economic environment in Menlo Park and the surrounding area, through numerous economic consulting assignments completed for the City of Menlo Park, as well as East Palo Alto and other nearby jurisdictions. BAE is currently working on the housing needs assessment for the proposed 123 Independence Drive project. BAE's experience in East Palo Alto includes preparation of housing needs assessments pursuant to the 2017 settlement agreement between Menlo Park and East Palo Alto. BAE is also currently undertaking the Assessment of Fair Housing for the Menlo Park Housing Element Update.

Prior Projects and References

The Dudek team offers experienced CEQA practitioners and technical experts with practical and directly applicable local, regional, and statewide experience. The Dudek team has prepared CEQA compliance documents for regional agencies and developments, as outlined here.

Planning and Environmental Review Services

Client: City of Palo Alto

Dates: 2013–Present (Ongoing)

Dudek provides planning and environmental review services to the City of Palo Alto. As highlighted below, we have prepared several environmental impact reports (EIRs) and mitigated negative declarations (MNDs) for both the public works and community development departments, including several mixed-use projects.



Castilleja School Project EIR: Dudek has prepared an EIR evaluating Castilleja School's proposed program of facility modernization and requested amendment to the school's Conditional Use Permit to increase the enrollment cap. The project proposes to demolish several existing structures, construct a below-grade parking garage, and construct a new academic building. Key issues include traffic, pedestrian and bicycle safety and access, noise, air pollution, tree removal, aesthetics, and other considerations of the compatibility of the project with the neighboring single-family residences.

3877 El Camino Real MND: Dudek prepared an initial study (IS)/MND for the proposed demolition of a vacant commercial building and construction of a mixed use development that would include retail, other commercial space, and 17 dwelling units. Key issues for the project included historic resources, traffic, aesthetics, and compatibility with the surrounding neighborhood.

1050 Page Mill Road EIR: Dudek prepared an EIR for the demolition of over 300,000 square feet of existing office/warehouse/research and development space and construction of the equivalent amount of dedicated office space. Key issues included defining the baseline condition as well as potential traffic and visual impacts to surrounding residential neighborhoods.

385 Sherman Avenue MND: Dudek staff prepared an IS/MND for the proposed demolition of a 64,000-square-foot building and construction of a three story mixed-use building over two levels of underground parking. The presence of a contaminated groundwater plume below the project site was a critical issue for the project. Other key issues included tree protection, traffic, and noise exposure for existing residents adjacent to the site.

2555 Park Boulevard EIR: Dudek prepared a focused EIR for the proposed demolition of an existing, potentially historic building and construction of a new, larger office building with below-grade parking. In addition to the potential impacts to historic resources, key issues included hazards, traffic, and parking.

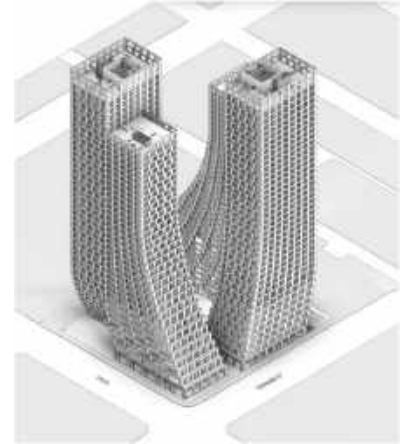
On-Call Planning and Environmental Services

Client: City and County of San Francisco

Dates: 2015–Present (Ongoing)

Dudek is currently providing as-needed environmental services to the City of San Francisco, including preparation of several EIRs and community plan exemptions for the Planning Department.

655 Fourth Street: Dudek provided environmental compliance services for the development at 655 Fourth Street located in San Francisco’s Central SoMa Neighborhood Plan area. The project entails demolition of three existing buildings, associated surface parking lots, and vegetation on the 71,300-square-foot project site. The project will merge the seven existing lots and construct two new buildings with approximately 1,014,968 square feet of residential area, 24,500 square feet of hotel area, 21,840 square feet of office area, and 21,900 square feet of ground-floor retail use. Primary issues of analysis are construction impacts (specifically noise, air quality, and traffic), wind, and shadow. Dudek was responsible for the original analysis and incorporated analyses produced by other consultants (traffic and cultural resources) under Environmental Planning direction to produce this focused environmental document. The project was found to be consistent with the development density identified in the Central SoMa Plan and therefore eligible for a community plan exemption. The San Francisco Planning Commission approved the project on June 20, 2019.



Delaware Mixed-Use Project EIR

Client: City Santa Cruz

Dates: 2016

Dudek prepared an addendum to a certified EIR for an approved industrial/commercial/residential mixed-use development on 20 acres in the City of Santa Cruz. The addendum addressed a major modification to the approved plans, consisting of a reconfigured site plan. The review included close coordination with City staff, as well as the project applicant and their transportation consultants. Dudek staff previously worked as extension of staff for the City of Santa Cruz Planning and Community Development Department to manage the preparation and review of the original EIR for the project. Tasks included preparation of an IS and Notice of Preparation (NOP) and management of the EIR process for the Planning Department, including review of the EIR, coordinating comments of other City department, and preparation of CEQA findings.



Pacific Front Mixed-Use Project

Client: City Santa Cruz

Dates: 2019–Present (Ongoing)

The proposed project consists of a non-residential demolition authorization permit, lot line adjustment, coastal permit, design permit, special use permit, revocable license for outdoor extension area, heritage tree removal permit, and street tree removal approval to combine seven parcels (Assessor Parcel Numbers 005-152-11 through -16 and 005-152-27), demolish five predominantly single-story commercial buildings, and construct a six-story, 311,311-gross-square-foot mixed-use building. The proposed building footprint totals 55,160 square feet. The new building would include 205 residential apartments above 10,656 square feet of ground-floor commercial space. The residential apartments would include 49 studio units, 99 one-bedroom units, and 57 two-bedroom units. The project would include a total of 252 structured garage parking spaces on two levels, including 32 electric vehicle charging spaces. A total of 348 bicycle parking spaces would also be provided.

Placer County Government Center Master Plan EIR

Client: Placer County

Dates: 2016–2019

Dudek provided environmental consulting services and EIR preparation for the Placer County Government Center Master Plan Update project. The project’s purpose was to develop a campus master plan update for the 200-acre Placer County Government Center. The adopted master plan update addresses future development needs at this government center, including demolition of buildings that are contributing features to a registered historic district, and construction of new public and private land uses in four major construction phases. The Master Plan Update anticipates that the site would support County offices and a mix of private office, commercial, and multifamily residential development. Approximately 650,000 square feet of existing building space will be retained and new construction would include approximately 410,000 square feet of new County facilities, 30,000 square feet of community uses, and approximately 510,000 square feet of new mixed-use buildings that would accommodate commercial and residential elements, including a 79-unit affordable housing project. Dudek was tasked with preparing several technical studies and an EIR that includes programmatic analysis of the overall Specific Plan as well as project-level analysis of the first two projects anticipated to be constructed. The Board of Supervisors adopted the Specific Plan and certified the Final EIR in April 2019.

City of Citrus Heights City Hall and Medical Office Building EIR

Client: City of Citrus Heights

Dates: 2016–2018

Dudek prepared a Focused EIR to evaluate demolition of existing buildings and construction of a new Citrus Heights City Hall and a medical office building on two proximate sites. The City Hall had been located in repurposed buildings that were originally constructed as part of a plant nursery many years before the City of Citrus Heights incorporated. The buildings suffered from deferred maintenance as well as general design limitations that impeded efficient and effective delivery of City services and functions. The City was approached by a major healthcare provider that had been searching for an appropriate location for a new medical office building. The Focused EIR evaluated construction of the medical office building on the original City Hall site and construction of the City Hall on a vacant site approximately 0.3 miles to the north, adjacent to an existing U.S. Post Office. Location of the medical office building along a major community corridor and adjacent to residential uses raised community concerns for aesthetic and noise impacts. Traffic, biological resources within the vacant site, and hazardous materials were also key project issues.



Dorsey Marketplace EIR

Client: City of Grass Valley

Dates: 2017–2020

Working with the City of Grass Valley, Dudek prepared an EIR that evaluated development of this project that combines commercial space and multi-family residential land uses on a brownfield site adjacent to State Route 20/49. Key project issues included traffic, aesthetics, noise, and tree removal. The EIR evaluated two project alternatives at an equal level of detail, finding that the project alternative that had less commercial space and twice the number of dwelling units created a more balanced traffic pattern and made it feasible to reduce all potential project impacts to less than significant levels.



City of Auburn PG&E Facility Upgrades

Client: City of Auburn

Dates: 2020

PG&E maintains a Service Center in the City of Auburn. PG&E proposed to renovate a 7.1-acre portion of the Auburn Service Center to support specialized operations such as storm, wildfire, or other regional response activities, and to be available for overflow from the PG&E Auburn Regional Center (if required) to support regional customer support. The renovations and redevelopment would support PG&E’s transitioning of the primary use of the project site to manage wildfire mitigation efforts, wildfire response, and ongoing grid-hardening efforts in PG&E’s Sierra Division. Dudek completed a peer review of the technical studies, IS/MND, and mitigation monitoring and reporting program that were prepared by the project applicant’s consultants for this project. Dudek’s comments and recommendations were focused on ensuring the CEQA documents captured the full extent of the project, accurately described existing conditions within and adjacent to the site, appropriately applied the City’s policies and regulations to the impact analysis, and identified feasible and effective mitigation measures to ensure that all impacts would be reduced to less-than-significant levels.

Mission College EIR Consistency Reviews

Client: West Valley–Mission Community College District

Dates: 2020–2021

The West Valley–Mission Community College District is constructing two improvement projects at the Mission College campus in the City of Santa Clara. Dudek prepared two EIR Consistency Reviews to confirm that each project—the Performing Arts Center and the Plaza Completion—complies with the buildout assumptions and mitigation requirements in the District’s Mission College Facility Master Plan EIR and to verify that the project would not result in any new impacts or increase the severity of impacts that were previously identified.

East Palo Alto Housing Needs Assessments

Client: City of East Palo Alto

Dates: 2017–2021

The City of East Palo Alto commissioned BAE to prepare Housing Needs Assessments (HNAs) for three proposed development projects in the City: a private elementary school and two large-scale office projects. While East Palo Alto has historically offered a more affordable housing market than most surrounding jurisdictions, large housing cost increases throughout the region have impacted housing costs in East Palo Alto as well, making rents and home sale prices in the City increasingly unaffordable to lower-income workers and residents. As new development brings new workers to East Palo Alto, City staff, leadership, and community groups sought an understanding of the impact that this development would have on housing demand and housing costs, as well as whether this demand could lead to the displacement of existing households.

To date, BAE has completed HNAs for the school and one of the two office developments. For each project, BAE analyzed the employment by income level from the project itself to determine the workforce housing needs directly attributable to the project. In addition, the analyses estimated the employment multiplier effects from each project using the IMPLAN input-output model and Public Use Microdata Sample data from the American Community Survey from the U.S. Census, to estimate the number of worker households by income level due to each project’s indirect and induced employment effects. The assessments also included in-depth evaluations of local housing market conditions, recent housing market trends, and planned development projects to assess the capacity of the local market to absorb the total housing demand associated with each project. BAE also conducted detailed analyses of local demographic and housing trends, identifying potential risk factors for displacement.



Berkeley Nexus Study for Housing Fee

Client: City of Berkeley

Dates: 2010 and 2015

BAE prepared an Affordable Housing In-Lieu Fee Study for the City of Berkeley in 2015, updating the City's first Housing In-Lieu Fee Study that BAE prepared in 2010. Berkeley's housing market had recovered dramatically between 2010 and 2015, with numerous market rate rental projects in the pipeline. BAE provided an updated analysis of rental and for-sale market conditions, prepared a legally defensible methodology of estimating market rate rental units' household spending profile, translated this spending using IMPLAN into indirect and induced job growth in Berkeley by household income, assessed the cost to develop new affordable housing, and allocated the resulting cost per market rate unit. The analysis enabled the City to consider a higher per-unit in-lieu fee for residential units. In addition, the analysis enabled the City to consider a new in-lieu fee for for-sale units, as an alternative to the inclusionary requirements that were already in place on for-sale projects.

As part of the Nexus Study update, BAE conducted financial feasibility testing to inform recommendations on the fee rates to be adopted. BAE prepared pro formas detailing project costs and revenues to determine the maximum fee for rental and for-sale units that would continue to allow developers to earn a reasonable profit margin. The financial feasibility testing provided a comparison of new potential fee rates to the rental fee rates and for-sale inclusionary proportions that were in place at that time. The results of the financial feasibility analysis provided a metric that the City used to establish a fee rate that accounts for potential concerns about impacts on building starts in the City.

Affordable Housing Linkage Fee Nexus Study

Client: City of Los Angeles

Dates: 2016

BAE completed the City of Los Angeles Affordable Housing Linkage Fee Nexus Study in Fall 2016. This landmark work was prepared as three key components: a detailed nexus study for both commercial and residential linkage fees resulting in calculations of maximum legal fee levels by land use, a real estate market analysis used to categorize 144 neighborhoods into low, medium, or high market condition, and a financial feasibility analysis of seven commercial prototypes and four residential prototypes across the market condition categories to test for a maximum feasible fee. The Study also estimated potential annual linkage fee



revenues under four proposed Fee Options. In addition, BAE's work for the linkage fee study provided recommendations for applying the fee to residential Density Bonus projects, based on an analysis of the housing need addressed by affordable units in Density Bonus Projects in comparison to the need addressed by a potential fee.

Background work included over 20 case studies of cities in California and elsewhere with linkage fee programs. The case studies provided detailed information on program implementation, including point of collection, exemptions for specific projects, and the relationship between the fee program and other City ordinances such as density bonuses. Findings from the case studies informed recommendations for implementation of the City of Los Angeles Fee.

The process for the study also included BAE organizing and co-facilitating three workshops which invited more than 50 developers, housing advocates, and academics to engage in the study process. Additional direct interviews with leading Los Angeles commercial and market-rate residential developers were also conducted to firm up assumptions and obtain feedback. The Linkage Fee Ordinance was adopted in December 2017, creating a major permanent funding source for affordable housing.

Hotel Housing Impact Analysis

Client: City of Napa

Dates: 2017-2018

The City of Napa has a considerable number of planned and proposed hotels in the development pipeline, which could add over 2,000 hotel rooms to the City’s inventory and support an increase in hotel employment in the City. Although demand for hotel rooms in the Napa Valley Region remains strong, hotel operators have ongoing concerns that a lack of housing supply affordable to the hotel workforce will increase pressure on an already tight hotel labor market. In order to quantify the extent to which the region’s hotel workers need housing opportunities, and the availability of new hotel workers, the City engaged BAE to evaluate the challenges associated with attracting a hotel labor pool within the high-cost housing market in the Napa region and the wider Bay Area region, as well as the extent to which the housing market in Napa and the surrounding area may be able to absorb the new employee households that the new hotels will generate.

BAE estimated the number of hotel worker households projected by hotel type, evaluated hotel worker household incomes by hotel worker occupation, and compared household incomes to the Area Median Income to determine income affordability levels. BAE then evaluated the commute patterns of Napa hotel workers to determine where workers live, assessed local labor force participation and unemployment rates to determine whether existing residents could fill new jobs, and determined the number of new worker households at each affordability level that would need to find housing in order to fill new Napa hotel jobs. Finally, BAE used median home prices and rents to determine the supply of existing and proposed housing that would be available for new households and compared those numbers to hotel worker households to determine the housing shortfall that would need to be addressed to attract new hotel workers to fill jobs. This analysis found that there will be a worker shortage in the Napa Valley hotel industry going forward, and that affordable housing will be one critical factor of many to attracting new workers.



Affordable Housing Fee Study

Client: City of Ventura

Dates: 2018–2019

The City of Ventura, like most cities throughout the State of California, faces significant challenges in addressing affordable housing needs and has a limited set of tools and financial resources to address these challenges. As part of the City’s efforts to address these its housing needs, the City is currently in the process of updating its residential inclusionary ordinance to create a single citywide ordinance with a potential in-lieu fee and is considering adoption of fees on new commercial real estate development projects to support the production of affordable housing.

The City commissioned BAE to prepare a study to evaluate commercial linkage fees and residential inclusionary in-lieu fees to support the production and preservation of affordable housing in Ventura. BAE prepared an in-depth assessment of the number of new worker households that new commercial and market-rate residential development generates, the household income distribution among these worker households, and the cost to provide affordable housing to workers that are not able to afford market-rate rents or sale prices in Ventura. BAE’s work for this study also included financial feasibility analysis to determine the fee rates that new development can absorb, as well as three stakeholder meetings to obtain input from developers and affordable housing advocates.



List of References

Table 1 includes our list of references for which the Dudek team has provided similar services.

Table 1. References

Client	Reference	Description of Services
Dudek References		
City of Palo Alto	Amy French, Chief Planning Official 650.329.2336 amy.french@cityofpaloalto.org	Castilleja School Project EIR: Dudek prepared a focused EIR evaluating the proposed redevelopment of an existing private school campus. Avenidas Community Center MND: Dudek prepared an MND for expansion of an existing community center located in an historic building. 1050 Page Mill Road EIR: Dudek prepared a focused EIR for redevelopment of a project site involving demolition of 300,000 square feet of office buildings and construction of 285,000 square feet of new office buildings.
County of Placer, Department of Facility Services	Paul Breckenridge 530.889.6892 pbrecken@placer.ca.gov	Placer County Government Center Master Plan Update EIR: Dudek prepared an EIR evaluating implementation of the County’s proposed Master Plan Update for their 200-acre campus. The plan anticipates development of new county offices and a community center, as well as private commercial and residential development.

Table 1. References

Client	Reference	Description of Services
City of Auburn	Tonya Ward, Senior Planner 530.823.4211 x140 tward@auburn.ca.gov	PGE: Dudek completed a peer review of technical studies, IS/MND, and mitigation monitoring and reporting program for renovation of a 7.1-acre portion of the Auburn Service Center to support specialized operations.
City of Citrus Heights	Casey Kempenaar, Senior Planner 916.727.4740 ckempenaar@citrusheights.net	Citrus Heights City Hall and Medical Office Building: Dudek prepared an EIR evaluating replacement of City Hall with a Medical Office Building and a new City Hall on a nearby site. Mitchell Farms Subdivision: Dudek prepared an EIR evaluating replacement of a 9-hole golf course and disc-golf course with a residential subdivision.
BAE References		
City of Los Angeles	Matthew Glesne Housing Planner 213.978.2666 mglesne@gmail.com	City of Los Angeles Affordable Housing Linkage Fee Nexus Study. BAE completed the City of Los Angeles Affordable Housing Linkage Fee Nexus Study in Fall 2016. The Linkage Fee Ordinance was adopted in December 2017, creating a major permanent funding source for affordable housing.
City of Napa	Lark Ferrell Housing Manager 707.257.9547 lferrell@cityofnapa.org	Napa Hotel Housing Impact Analysis. The City engaged BAE to evaluate the challenges associated with attracting a hotel labor pool within the Napa and wider Bay Area region, as well as the extent to which the housing market in Napa and the surrounding area may be able to absorb the new employee households.
City of Ventura	Jennie Buckingham Senior Planner 805.654.7893 jbuckingham@cityofventura.ca.gov	Ventura Affordable Housing Fee Study. The City commissioned BAE to prepare a study to evaluate commercial linkage fees and residential inclusionary in-lieu fees to support the production and preservation of affordable housing in Ventura.

Notes: EIR = environmental impact report; MND = mitigated negative declaration

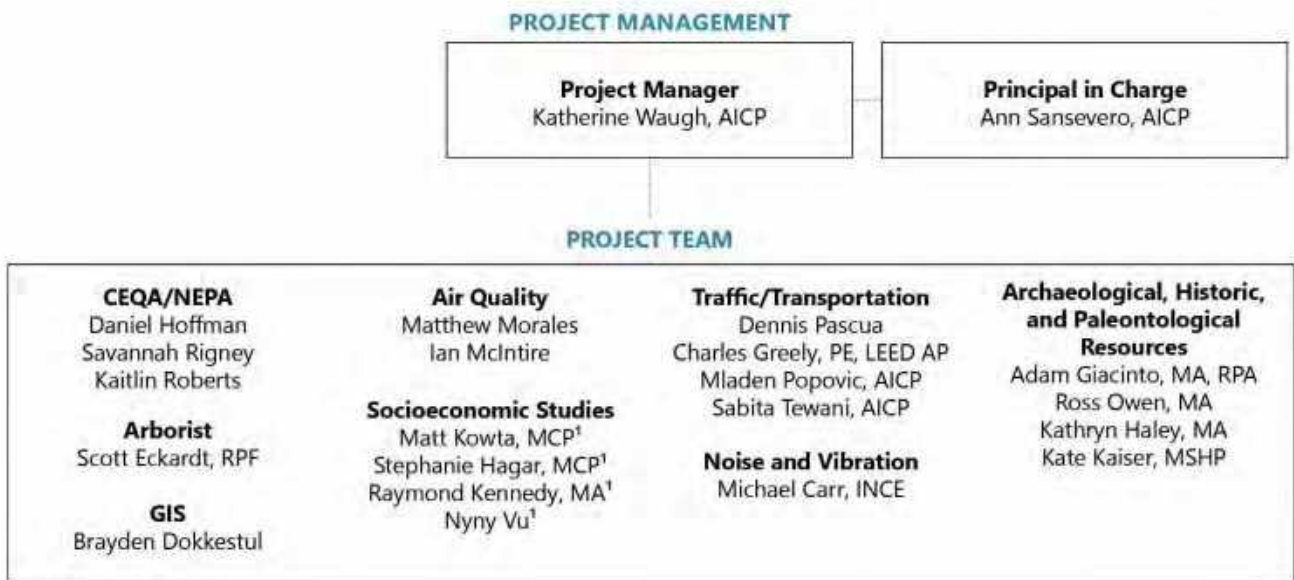
Key Staff and Qualifications

Team Organization

The Dudek team is ideally suited to provide the City with environmental review services due to our extensive environmental compliance and documentation experience, relationships with local and regional agencies, and an understanding of local habitat, species, natural resources, and environmental challenges. Our knowledge of environmental laws helps facilitate project planning and environmental processes that are legally sound and reflective of appropriate community interests and environmental effects.

The proposed team organization is presented in **Figure 1**. Brief biographical summaries of the qualifications and expertise of the management team and technical leads are provided following the organization chart, and resumes are provided in **Appendix A**. Qualifications and resumes for other staff included on the organization chart can be provided upon request.

Figure 1. Team Organization



¹BAE Urban Economics

Project Manager

Katherine Waugh, AICP

Katherine Waugh is a senior planner with 22 years' experience with CEQA statutory requirements, current planning methods, and environmental documentation procedures. She prepares CEQA documents for a wide range of public and private projects, managing projects effectively and maintaining momentum to meet schedule and budget requirements. Ms. Waugh applies planning and environmental laws and regulations practically and with an attention to detail, allowing her to quickly identify and resolve critical planning and environmental issues and to integrate local, state, and federal regulatory requirements with the Lead Agency's mitigation measures and development review procedures.

Education

*University of California (UC), Davis
BS, Environmental Policy Analysis and Planning*

Certifications

American Institute of Certified Planners (AICP)

Principal in Charge

Ann Sansevero, AICP

Ann Sansevero is a certified project manager and a certified planner with 35 years' experience in the field of environmental assessment and land use planning with a broad range of experience in the management and preparation of CEQA/NEPA documents, other types of planning and environmental studies, and regulatory and land use permitting applications for public projects. Her areas of expertise include environmental planning, project management, CEQA/NEPA compliance, regulatory and coastal permitting, land use planning and design, sustainability, differential site assessments, and mitigation monitoring and reporting.

Education

*UC Santa Cruz
BA, Biological Sciences and Environmental Studies*

Certifications

AICP

CEQA Analyst

Daniel Hoffman

Daniel Hoffman is an environmental planner with 5 years' professional experience specializing in CEQA/NEPA compliance, planning and permitting, and construction management. Mr. Hoffman has worked as an environmental planner and contract city planner for several municipalities throughout Northern California, such as the Cities of Martinez, San Pablo, Vallejo, and Watsonville and Counties of Santa Clara and Sonoma. He has produced defensible CEQA documents, implemented and navigated regulatory permitting processes, and prepared and presented staff reports in public hearings.

Education

*Whitman College
BA, Environmental Studies/Economics*

Air Quality Lead

Matthew Morales

Matthew Morales is an air quality specialist with 16 years' experience preparing technical analyses for numerous planning and environmental projects related to development, natural resource management, and facility expansion. Mr. Morales is trained in air quality, including toxic air contaminants (TACs) and greenhouse gas (GHG), and he is adept at applying air quality models, such as the California Emissions Estimator Model, Caline4, AERSCREEN, U.S. Environmental Protection Agency Regulatory Model (AERMOD), and the California Air Resources Board (CARB) Hot Spots Analysis and Reporting Program (HARP2) to perform quantitative analyses for CEQA and NEPA environmental documents, such as EIRs, ISS, and MNDs.

Education

*UC, Davis
BS, Environmental
Toxicology*

Traffic/Transportation Lead

Dennis Pascua

Dennis Pascua is a senior transportation planner with 28 years' experience in transportation planning/engineering in California. Mr. Pascua has successfully managed a variety of projects for local agencies and private developers, including traffic and circulation impact analyses and parking demand studies in both highly urbanized and rural areas. He is highly experienced with CEQA/NEPA and transportation topics and policies surrounding active transportation, context sensitive solutions, and complete streets throughout California.

Education

*UC, Irvine
BA, Social Ecology
(Environmental Analysis
and Design)*

Cultural Resources Lead

Adam Giacinto, MA, RPA

Adam Giacinto is an archaeologist with 15 years' experience preparing cultural resource reports and site records, and managing archaeological survey, evaluation, and data recovery-level investigations. His research interests include prehistoric hunter-gatherer cultures and contemporary conceptions of heritage. His current research focuses on the social, historical, archaeological, and political mechanisms surrounding heritage values. He has gained practical experience in archaeological and ethnographic field methods while conducting research in the Southwest, Mexico, and Eastern Europe.

Education

*San Diego State University
MA, Anthropology
Sonoma State University
BA, Anthropology/
Linguistics
Santa Rosa Junior College
AA, Anthropology*

Certifications

*Register of Professional
Archaeologists (RPA)*

Historic Resources Lead

Kathryn Haley, MA

Kathryn Haley is a senior architectural historian with 18 years’ experience in historic/cultural resource management. Ms. Haley has worked on a wide variety of projects involving historic research, field inventory, and site assessment conducted for compliance with Section 106 of the National Historic Preservation Act, CEQA, and NEPA. She specializes in California Register of Historical Resources, the National Register of Historic Places, and evaluations of built environment resources, including water management structures, buildings, and linear resources. Her experience includes historic properties assessments and reports for projects in the Bay Area.

Education

*California State University,
Sacramento
MA, Public History
BA, History*

Noise and Vibration Lead

Michael Carr, INCE

Michael Carr is an acoustician with more than 23 years’ experience in acoustics and related industries, with an emphasis on environmental acoustics, noise, and vibration. Mr. Carr is a member of the Institute of Noise Control Engineering (INCE) and an expert in acoustics, noise and vibration control, sound insulation, and electro-acoustics. His broad range of experience and technical depth encompass a number of markets, including structural and building acoustics, residential, commercial, recreational, transportation and environmental noise and vibration control. In the area of transportation noise and vibration, Mr. Carr has expertise in measurement, prediction, and assessment of noise and vibration associated with aviation, vehicular, and rail/transit-based transportation modes.

Education

*Sierra College
AS, Electronic Technology
AS, Computer Technology
Certificate in Mechatronic
Systems*

Certifications

*AVIXA Certified Technology
Specialist (CTS)*

Socioeconomics Studies Lead

Matt Kowta, MCP | Managing Principal, BAE Urban Economic Inc.

Mr. Kowta is based in BAE’s Davis office and has over 20 years’ experience managing numerous economic studies relating to affordable housing, workforce housing, inclusionary housing policies, and housing impact analyses. Matt is currently overseeing BAE’s work to assist the Town of Windsor with an update to its inclusionary housing policies. He recently served as BAE’s principal-in-charge for major affordable and workforce housing studies in the Lake Tahoe region, including the Truckee/North Tahoe Regional Housing Needs Study, and an affordable housing policy study for the Tahoe Regional Planning Agency. Matt is currently leading BAE’s work assisting Palm Beach County, Florida with an update to its workforce housing program, and he directed BAE’s work in support of Sacramento’s Central City Specific Plan, which is part of the City’s initiative to provide 10,000 new places to live in Downtown Sacramento in 10 years.

Education

*UC, Berkeley
MCP, City and Regional
Planning
UC, Los Angeles
BA, Geography*

Project Approach

Project Understanding

The 1005 O'Brien and 1320 Willow Road Project proposed by Tarlton would demolish three existing industrial and R&D buildings across three parcels and construct two new R&D buildings and associated parking. The Project would provide a total of 228,262 square feet of R&D space and include a 9,683-square-foot employee amenity space. The Project also proposes to construct a new parking structure with 511 parking spaces and would include 34 surface parking spaces. The proposal includes a request for an increase in height and floor area ratio under the bonus level development allowance in the City's Zoning Ordinance, subject to obtaining a use permit and providing one or more community amenities required by the LS-B zoning district regulation

The Project would be constructed in two phases, beginning with the demolition of the 985 and 1005 O'Brien Drive buildings, partial demolition of the 1320 Willow Road building, construction of the new 1005 O'Brien Drive building, and construction of four stories of the parking structure. The second phase would consist of demolition of the remainder of the 1320 Willow Road building, construction of the new 1320 Willow building, and construction of two additional stories on the parking structure.

Key Issues

The Dudek team has extensive experience preparing technical studies and CEQA compliance documents throughout the Bay Area, which is home to a diverse mix of urban, agricultural, and open space lands interspersed with sensitive waterways and natural habitat. Rapid population growth and development over the past three decades has impacted area infrastructure, wildlife, and open space.

In 2016, the City adopted updated General Plan Land Use and Circulation elements, called ConnectMenlo, as well as associated zoning ordinance updates. These actions provided for important redevelopment efforts in the Bayfront. Key issues addressed in ConnectMenlo include sustainability, support for existing neighborhoods, economic development, conservation, housing affordability, mobility, transportation options, and traffic congestion and management. The City is processing several applications for redevelopment in the Bayfront. The amount of R&D space that would be created under this project along with other pending projects would be less than the total amount of R&D space that was projected to be developed under ConnectMenlo and evaluated in that EIR. Therefore, the CEQA compliance document for this project can tier from the ConnectMenlo EIR. Dudek proposes to focus the EIR on topics where the Project may result in site-specific impacts, such as air pollution and noise exposure to nearby residences and schools

In addition, because the project applications include a request for bonus level development within the Life Science, Bonus (LS-B) zoning district of the Bayfront Area, Dudek's scope of work includes elements required by the 2017 settlement agreement between the cities of Menlo Park and East Palo Alto, specifically preparation of a HNA and a traffic impact analysis that includes the content required by the settlement agreement.

Proposed Scope of Work

Dudek will undertake the following tasks for preparation of the EIR.

Task 1: Project Initiation and Project Description

Project Initiation

Upon execution of the EIR contract, Dudek's project manager, Katherine Waugh, will attend a virtual project initiation meeting with City staff and the project applicant representative, if invited by the City. This meeting will be critical to the ultimate success of the Project, as it provides the project team an opportunity to discuss and review the scope of the Project, formalize key project assumptions, and define key milestones and other success factors for the Project. This meeting will also offer an opportunity to confirm document format requirements, points of contact, status report details, and any other logistical, technical, or procedural concerns. We approach every project with the understanding that attention on the front end of a project can save substantial time and costs in the long run.

Dudek will also conduct a site visit to observe existing conditions in the Project vicinity and review applicable background and technical data for the Project area, such as the ConnectMenlo General Plan and EIR. From this review, Dudek will identify applicable policies and standards that will be cited in the EIR as portions of the regulatory framework governing impact analysis for this Project.

Project Description

Dudek will prepare a project description for use in the IS and EIR. It will include the planning and environmental context for the Project and Project site, including documenting the existing land uses and condition of the Project site, providing a detailed description of the project components, and identifying general construction logistics and schedule. The draft project description will be submitted to the City and the project applicant for review and comment, and Dudek will revise the project description as necessary.

The approved project description will be used as the basis for all project analyses. Minor revisions to the project description are anticipated as part of the EIR process; however, major changes could substantially affect impact analyses. Any changes to the project description that require revisions to completed or in-progress tasks could represent additional costs not included in the proposed budget.

Task 2: Initial Study and Associated Technical Studies

Task 2.1 Initial Study

Dudek will prepare a draft IS for the proposed Project using the City-approved checklist format that is consistent with the procedural and substantive provisions of Sections 15063 and 15082 and Appendices C, F, G, and I of the CEQA Guidelines. In completing the CEQA Environmental Checklist (Appendix G), Dudek will include explanations and analysis for each response, including "No Impact" responses. The level of analysis and degree of impact will vary depending upon the environmental topic but will be sufficient to provide the substantial evidence to support the responses, consistent with CEQA requirements and legal direction from established case law. For each environmental issue that is not addressed in the EIR, Dudek will describe existing conditions, assess potential environmental impacts, and recommend feasible and effective mitigation measures where necessary. The IS will be used to narrow the focus of the environmental issues addressed in the EIR. It is anticipated that the following CEQA issue areas will be sufficiently analyzed in the IS and shown to be less than significant, and thus not required to be further analyzed in the EIR.

- **Aesthetics** – The Project would redevelop the Project site, replacing single- and two-story buildings constructed in the 1950s with new R&D buildings and structured parking between four and six stories tall. Dudek will evaluate the proposed buildings’ consistency with the city’s Design Guidelines under Section 16.68.020 of the Zoning Ordinance, consistency of the proposed lighting plan with applicable General Plan and municipal code standards, and compatibility with surrounding properties. This will include comparing building scale, massing, and height with the existing building, describing building design elements, materials, and colors, describing proposed landscaping, and characterizing potential changes in light and glare. The change in visual character is subjective; therefore, the analysis will focus on the degree to which the proposed Project will change the existing visual character of the site and evaluate if it would be substantially different from the current visual character. The IS will also summarize the findings of the ConnectMenlo EIR with regard to scenic vistas, scenic corridors, and scenic highways.
- **Agricultural and Forestry Resources** – The Project site is developed with existing R&D buildings, surface parking lots, and ornamental landscaping. There are no agricultural or forestry resources within the project site or in the surrounding area. The Project would have no effect on agricultural or forestry resources.
- **Biological Resources** – The Project site is developed and is not expected to support sensitive natural communities or aquatic resources. The ConnectMenlo EIR determined that redevelopment within the Bayfront area would not result in significant impacts to special-status species, sensitive natural communities, wetlands, and wildlife movement. Dudek understands that the project applicant will submit an arborist report by a City-approved arborist and City staff will review that report and the project plans to ensure compliance with any heritage/street tree removal replacement and other landscaping requirements. Dudek will incorporate the findings of the arborist report and City staff findings regarding tree removal replacement and other landscaping requirements in the IS. The IS will also discuss whether the Project would meet the City’s Water-Efficient Landscaping as defined in Municipal Code Chapter 12.44.
- **Cultural Resources** – The Project site is developed and is unlikely to support any surface area cultural resources, consistent with the findings of the ConnectMenlo EIR. The IS will summarize the findings of the ConnectMenlo EIR regarding archeological sensitivity and potential to encounter human remains, and will incorporate Mitigation Measures CULT-2a and CULT-4 from the ConnectMenlo EIR. The existing buildings within the Project site appear to have been constructed as part of a business park that was developed beginning in the mid 1950s. Thus, the buildings are at least 50 years old and, as described in Task 2.2, Dudek will complete a Built Environment Inventory and Evaluation Report (BEIER) to determine whether the buildings may be considered historic resources. If the findings of the BEIER are negative, the IS can conclude that no significant impacts to cultural resources would result from the proposed Project. In that case, this IS section will describe the methodology and conclusions of the BEIER. In the event that potential impacts to historic resources must be evaluated in the EIR, Dudek will provide a supplemental scope of work and budget.
- **Energy** – The IS will summarize the findings of the ConnectMenlo EIR regarding energy efficiency and sustainable project design, including requirements for buildings to comply with the CALGreen Building Code, the California Public Utility Commission’s Long Term Energy Efficiency Strategic Plan, Chapter 12.18 of the Menlo Park Municipal Code which contains the Green Building Ordinance, and green building requirements for LEED certification, including providing outlets for Electric Vehicle charging, providing on-site renewable energy generation, and enrolling in the USEPA’s Energy Star Building Portfolio Manager. The IS will also document the Project’s energy consumption during construction and operation based on Dudek’s modeling of the Project using the California Emissions Estimator Model, as described in Task 2.3.
- **Geology and Soils** – The Project site is developed and thus does not contain significant topsoil resources and has been shown to be capable of supporting urban-level development. Dudek assumes the project

applicant will submit a preliminary geotechnical investigation report that includes specific engineering and design recommendations to ensure that any geologic and seismic conditions are appropriately addressed to avoid any significant impacts related to geology and soils. Based on the preliminary geotechnical investigation, the IS will discuss whether the Project could exacerbate any existing geologic and seismic hazards, and evaluate the potential project effects related to geologic and soil stability, including expansive soils. This section of the IS will also summarize the findings of the ConnectMenlo EIR regarding paleontological resources and incorporate ConnectMenlo EIR Mitigation Measure CULT-3 to ensure such impacts remain less than significant.

- **Hazards and Hazardous Materials** – Dudek assumes the project applicant will submit a Phase I Environmental Site Assessment (ESA), and a Phase II ESA or other supplemental investigations if recommended in the Phase I ESA. The IS will summarize the findings of the ConnectMenlo EIR regarding routine use and transport of hazardous materials, potential release of hazardous materials, airport-related hazards, and emergency response and evacuation plans. If appropriate, based on the findings of the Phase I ESA, the IS will incorporate relevant mitigation measures from the ConnectMenlo EIR and the Phase I ESA to ensure that impacts associated with any existing hazardous materials or hazardous conditions within the site are reduced to less-than-significant levels.
- **Hydrology and Water Quality** – The existing buildings and parking lots within the Project site represent impervious surfaces. The IS will document the degree to which the proposed Project would increase or decrease the amount of impervious surface within the Project site, and discuss the potential temporary impacts to water quality as a result of building demolition, removal of existing pavement, grading and excavation. The Initial Study will also document how water quality impacts would be minimized through compliance with the provisions and requirements under the San Mateo Countywide Water Pollution Prevention Program, which includes the C.3 provisions set by the Regional Water Quality Control Board, the City’s Municipal Code Chapter 7.42, Stormwater Management Program the State Water Resources Control Board–Construction General Permit, and a construction-related Stormwater Pollution Prevention Plan, including best management practices. The IS will demonstrate that the proposed Project would not be expected to cause significant impacts to hydrology and water quality with through compliance with adopted standards and conditions that would reduce construction and operation phase impacts on water quality to a less-than-significant level and that the Project would not result in any new or more severe impacts beyond those examined in the ConnectMenlo EIR. The IS will also summarize the findings of the ConnectMenlo EIR related to erosion, groundwater, and flooding.
- **Land Use and Planning**– The proposed Project is consistent with the LS-B zone district and with the buildout projections included in ConnectMenlo. The IS will summarize the findings of the ConnectMenlo EIR regarding disruption to existing communities and will demonstrate that the proposed Project would be consistent with that analysis because it would not create barriers to connectivity or substantially alter any existing roadways. The IS will also summarize the City’s applicable land use plans, policies, and regulations adopted for the purpose of avoiding or mitigating an environmental effect and evaluate the Project’s consistency with these.
- **Mineral Resources** – The Project site is not known to support any mineral resources or mineral resource extraction activities. Consistent with the findings of the ConnectMenlo EIR, redevelopment of the Project site would have no impact on mineral resources.
- **Public Services**– The IS will summarize the findings of the ConnectMenlo EIR regarding provision of public services, identify the public service facilities nearest the Project site, characterize the Project’s contribution to demand for public services and the ability of the existing and planned public services to meet that demand, identify project design elements and regulatory requirements that would serve to

minimize the increase in demand, and incorporate applicable mitigation measures to ensure impacts remain less than significant.

- **Recreation** – The Project site does not contain any recreation resources. The proposed replacement of R&D buildings would not directly increase the City’s residential population but would contribute indirectly to population growth as a result of new employment opportunities, consistent with the buildout projections of the ConnectMenlo EIR. The IS will summarize the findings of the ConnectMenlo EIR regarding the City’s goals and policies for provision of recreation facilities and evaluate the project’s contribution to city-wide recreation demand.
- **Tribal Cultural Resources** – As described in Task 2.2, Dudek will support City staff in completing Native American consultation as required under Assembly Bill (AB) 52. Given the developed condition of the Project site, Dudek assumes that the consultation process will not identify any known or potential tribal cultural resources that could be affected by the proposed Project.
- **Utilities and Service Systems**– The IS will summarize the findings of the ConnectMenlo EIR regarding provision of utilities and service systems, identify the utility facilities that would serve the project site, characterize the project’s contribution to demand for utilities and the ability of the existing and planned utilities and service systems to meet that demand, identify project design elements and regulatory requirements that would serve to minimize the increase in demand, and incorporate applicable mitigation measures to ensure impacts remain less than significant.
- **Wildfire** – As stated in the ConnectMenlo EIR, the Bayfront Area, which includes the Project site, does not contain areas of moderate, high, or very high Fire Hazard Severity for the Local Responsibility area, nor does it contain any areas of moderate, high, or very high Fire Hazard Severity for the State Responsibility Area. The IS will demonstrate that the Project would not exacerbate wildfire risks or interfere with emergency response and evacuation plans.

Dudek will submit an administrative draft of the IS to the City for review. Dudek will revise the IS based on comments from the City and submit the revised IS to the City along with the draft NOP.

Task 2.2: Built Environment Inventory and Evaluation Report and AB 52 Support

Dudek’s professionally qualified cultural (archaeology and built environment) resources staff will support the project by providing AB 52 support and preparing a Built Environment Inventory and Evaluation Report (BEIER). Dudek understands the City has already conducted an archaeological analysis and developed mitigation measures regarding unanticipated discoveries as part of the ConnectMenlo (general plan update) EIR and assumes that a copy of this report will be provided for Dudek to complete their analysis. Dudek will summarize the findings from the archaeological inventory report, AB 52 consultation, and the (BEIER) in the Cultural Resource section of the focused EIR in conformance with CEQA and all applicable local municipal guidelines and regulations. Dudek cultural resources staff understands that the project proposes to demolish three buildings located at 1320 Willow Road (APN 055-421-160, built 1963), 985 O’Brien Drive (APN 055-421-050, built 1955), and 1001 O’Brien Drive (APN 055-421-060, built 1956), and construct a 5-story research and development (R&D) building fronting O’Brien Drive, the a six-level parking structure in the rear, and construction of the second four-story R&D building as part of a multi-phase development project. Dudek recommends evaluating the three properties proposed for demolition that exceed 45 years in age for historical significance in consideration of National Register of Historic Places (NRHP) and California Register of Historical Resources (CRHR) designation criteria, and local requirements in order to ensure that the proposed demolition and new construction will not result in material impairment of an historical resource under CEQA. Tasks involved in the preparation of this technical work are as follows:

Assembly Bill 52 Support

The proposed Project is subject to compliance with AB 52, which requires lead agencies to provide tribes (who have requested notification) with early notification of the proposed Project and, if requested, consultation to inform the CEQA process with respect to tribal cultural resources. While AB 52 is a government-to-government process between the CEQA lead agency and California Native American Tribes, Dudek will assist the City with the notification process and responding to any comment letters. AB 52 consultation will be summarized in the Cultural Resources section of the EIR.

No in-person meetings with Native American groups are included in this scope of work.

Background Research

Under this task Dudek will conduct a search of the Built Environment Resource Database available through the California Office of Historic Preservation to determine if any of the properties in the Project study area have been previously evaluated. Dudek will also conduct building development research through the City of Menlo Park and/or San Mateo County to understand the construction history of the property, determine the nature and extent of any alterations to the property, and retrieve information on any previous owners/occupants. In addition, Dudek will conduct archival research to develop the historic context under which the properties will be evaluated. Research in support of the historic context may include visiting local libraries, archives, and contacting relevant historical societies. Note that access is presently limited to many public and private facilities due to restrictions related to Covid-19. Dudek will make a good faith effort to access all relevant historic records via online procedures, email, and telephone calls should in-person access not be granted.

Create Study Area Map and Conduct Field Survey

Upon completion of the background research, Dudek architectural historians will prepare a draft Study Area Map for built environment resources in consultation with the City and Project design staff. The Study Area Map will include all properties within the proposed Project footprint, as well as some parcels immediately adjacent to the proposed Project, dependent on the potential for direct and indirect impacts to built environment resources. The extent of the Study Area will be based on the Project Description and Project design drawings. Dudek assumes that the Project applicant will provide all of the required project details in GIS or CAD along with parcel data. This scope of work assumes that Dudek will produce no more than two versions of the Study Area Map: draft and final.

After approval of the final Study Area Maps, Dudek architectural historians will survey the study area. It is assumed that the survey for built environment resources will not exceed one 12 hour field day. The built environment survey will entail taking detailed notes and photographs of all buildings constructed over 45 years ago located within the proposed Project area and adjacent to the area if indirect impacts are anticipated. This includes documentation of character defining features, spatial relationships, landscaping, alterations, and the overall existing conditions of the buildings.

Record and Evaluate Resources

Dudek assumes recordation and evaluation of the buildings located within and adjacent to the proposed Project area as part of the current study will equal no more three properties. In addition to the buildings, other features of the complex, including the landscape features (hardscape and softscape) will also be examined in the historical significance evaluation as part of each property. Because the O'Brien Drive business park appears to have been developed together, Dudek may group individual properties into complexes to simplify recordation. The City of Menlo Park does not have local historical resource registration criteria and appears to defer to National Register of Historic Places and California Register of Historic Resources guidelines. Consequently, the properties will be evaluated under National Register of Historic Places and California Register of Historic Resources criteria and

integrity requirements. Dudek assumes that preparation of no more than three Department of Parks and Recreation 523 form sets will be required.

Built Environment Inventory and Evaluation Report

Dudek will prepare a BEIER that will summarize the results of the background research, field survey, and property significance evaluation for each property. The report will also discuss the proposed Project description, regulatory framework, all sources consulted, research and field methodology, setting, and findings. Under this scope Dudek assumes that the proposed Project will not result in significant impacts to historical resources under CEQA and development of mitigation will not be required.

All DPR forms for built environment resources will be included as an appendix to the report. Dudek assumes no more than one (1) draft and one (1) final version of the report will be required and that comments on the draft report will be editorial in nature and will not require additional research or field survey.

Task 2.3: CalEEMod Modeling

Dudek will conduct modeling using CalEEMod Version 2020.4.0 to identify the project's emissions of air pollutants and GHGs and of the project's energy consumption. After reviewing all available project materials, Dudek will prepare a request for any outstanding data needed to conduct the analysis. If precise information on a particular factor is not available from the City or project representatives, Dudek will make every effort to quantify these items using the best available information for comparable data sources, but in all cases will consult first with the City regarding the information needed.

The modeling of short-term construction and demolition emissions will be based on scheduling information (e.g., overall construction duration, phasing, and phase timing) and probable construction activities (e.g., construction equipment type and quantity, workers, and haul trucks) developed by the project representatives and/or standardized approaches.

Dudek will also use CalEEMod to estimate operational air pollutant emissions generated by mobile, energy, and area sources for the proposed Project, as well as for the existing industrial and R&D buildings to be demolished. Dudek will use the trip generation rates used for the Traffic Impact Analysis to estimate emissions from motor vehicles. Energy and area source emissions (e.g., natural gas combustion and consumer products) will be estimated using the default values in CalEEMod for the proposed and existing land uses, unless project-specific data is available.

Task 3: Notice of Preparation and Scoping

Dudek will prepare an NOP to initiate the EIR process. The NOP will provide a brief description of the Project, discuss the potential environmental effects of the Project, and describe the anticipated scope of the EIR. The EIR is expected to address all issues raised in Appendix G of the CEQA Guidelines that are not evaluated in the IS and excluded from further evaluation as previously noted. The IS will be included as an attachment to the NOP to demonstrate support for focusing the EIR.

Dudek will submit the draft NOP to the City for review and will revise the document based on City comments. Dudek will provide the City with the final NOP and coordinate with the City to ensure appropriate document distribution. Dudek assumes the City will undertake distribution to local agencies and individuals, provide for publication of a notice of availability in the newspaper, and submit the document electronically to the State Clearinghouse. However, Dudek can undertake submittal to the State Clearinghouse if directed by the City.

Dudek will also coordinate with City staff to hold a public scoping meeting using an online meeting platform. At the meeting, Dudek will present an overview of the project and the anticipated scope of the EIR. Dudek will take meeting notes to document the public comments received. At the conclusion of the NOP review period, Dudek will prepare a scoping comment summary.

Task 4: Technical Studies

Task 4.1 Air Quality and Greenhouse Gas Emissions

Air Quality

Dudek will prepare an assessment of the air quality impacts of the project utilizing the significance thresholds in Appendix G of the CEQA Guidelines and the Bay Area Air Quality Management District (BAAQMD) emissions-based thresholds as the basis. Dudek will rely on the CalEEMod modeling results developed under Task 2.3 and evaluate the significance of the emissions generated during the construction and operational phases in relation to the significance thresholds recommended by the BAAQMD. The operational phase analysis will consider the net increase in operational emissions, recognizing the emissions from operation of the existing buildings as the baseline condition.

Dudek will also evaluate whether traffic associated with the project could lead to potential exposure of sensitive receptors to substantial concentrations of air pollutant emissions, specifically carbon monoxide hotspots, based on the project's traffic impact analysis and the criteria recommended by the BAAQMD. Dudek anticipates that the project would not exceed the BAAQMD's carbon monoxide hotspots criteria and that a qualitative analysis will be adequate.

The project would result in a short-term increase in TAC emissions related to construction. Based on a review of the project's location and surrounding uses, a construction health risk assessment (HRA) would be recommended since the Mid-Peninsula High School, Cesar Chavez Ravenswood Middle School, and residential land uses are located within 1,000 feet of the project. A construction-related HRA has been included as Optional Task AQ-1.

Additional Appendix G thresholds will also be evaluated, including the potential for the project to expose sensitive receptors to substantial pollutant concentrations, to result in other emissions such as odors, or to impede attainment of the current BAAQMD air quality management plan. Details of the analysis (e.g., daily criteria air pollutant emission calculations and HRA) will be included in appendices to the assessment.

Greenhouse Gas Emissions

The GHG emissions assessment will include a brief description of global climate change and a summary of key, applicable regulatory measures. Dudek will estimate the GHG emissions associated with construction of the project using CalEEMod based on the same construction scenario utilized in the air quality analysis. Project-generated operational GHG emissions that will be estimated will include those associated with area sources, electrical generation, water supply, wastewater, and solid waste disposal. When project details are not available, CalEEMod default values will be used to calculate direct and indirect source GHG emissions. The net increase in GHG emissions (i.e., project minus existing emissions) will be presented in the EIR and details of the analysis (e.g., annual GHG emission calculations) will be included in an appendix.

The City has an adopted Climate Action Plan (CAP), which was approved in 2009 and updated in 2011, 2013, 2014, 2015, and 2018. Further, the City recently adopted the 2030 CAP (First Draft) in June 2020. Dudek will discuss how the project complies with the City CAP, state regulations (AB 32), the Plan Bay Area, and applicable laws and regulations that would increase energy efficiency, such as the California Building Code. In addition, since neither the City nor the BAAQMD have a quantitative threshold for post-2020 development, Dudek will work with

the City to calculate a scaled project-specific threshold for GHGs based on the anticipated buildout year of the project, the latest City inventories, and the City and/or state reduction goals. Along with plan consistency, this calculated threshold will be used to determine whether the project GHG emissions are significant.

Optional Task AQ-1: Construction HRA

A construction HRA will consider TAC emissions from construction of the project, namely diesel particulate matter (DPM) from off-road equipment and heavy-duty trucks. Dudek will use the American Meteorological Society/AERMOD model and CARB’s HARP2 to calculate the health impacts. The dispersion of DPM and associated health risk impacts on sensitive receptors will be determined using AERMOD, HARP2, and local meteorological data obtained from the BAAQMD and the estimated annual average DPM emissions. Additionally, PM_{2.5} concentrations will be estimated. The results will be compared to BAAQMD thresholds for impacts resulting from TAC emissions in the air quality section of the environmental document. A HRA will be prepared as a technical appendix and a summary of the methodology and results will be provided in the air quality section of the EIR.

Task 4.2 Noise Assessment

Dudek will prepare an acoustical assessment to evaluate potential noise and vibration impacts associated with construction and long-term build-out of the future land use. The proposed project site is located along Willow Road, between Ivy Drive and O’Brien Drive in the City of Menlo Park, California. There is an existing noise-sensitive land uses to the north of the proposed project site (Mid-Peninsula High School) with additional noise-sensitive residential land uses located further northwest, west and south of the proposed site, which could be exposed to noise, and vibration levels associated with the proposed Project.

Noise Monitoring

Dudek will conduct a noise monitoring program at the proposed Project site and in the Project vicinity to characterize baseline existing ambient acoustical conditions. The noise monitoring program is anticipated to include noise monitoring at up to three locations in the Project area. Short-term (approximately 10 to 30 minutes in duration) attended noise measurements will be conducted at up to three locations to provide adequate representation and relative exposure of noise-sensitive receptors to existing transportation noise levels in the project vicinity and relative exposure of nearby receptors to existing noise levels. A continuous long-term unattended noise measurement may be conducted on Dudek’s discretion at one location in the project study area (approximately 24 hours in duration).

Monitoring locations will be selected to adequately represent noise exposure at areas of key interest in the project vicinity, such as property lines and nearby noise-sensitive receptors. Noise level data will be used for establishing existing baseline noise level in the project vicinity and will serve as a basis of evaluation for future noise levels at receivers within the Project area. Dudek will coordinate with designated project team member as directed to coordinate access where required.

Noise Modeling and Analysis

Dudek will predict and analyze existing ambient and Project-generated noise levels throughout the project study area, to incorporate the nearby noise-sensitive receptors. The analysis will be based on Project information as provided by the project team, as well as observations and noise measurement data from the field survey.

Dudek will analyze potential short-term, construction-related noise impacts associated with the Project (e.g., on-site heavy-duty equipment, generators, pumps, etc.). Construction-related noise impacts will be assessed with respect to nearby noise-sensitive receptors and their relative exposure. The analysis will be based on application of the Federal Highway Administration Roadway Construction Noise Model and Federal Transit Administration reference noise level data and utilize industry-standard propagation methodologies. The effects of construction

vibration will be evaluated at existing sensitive receptors through the application of Federal Transit Administration and California Department of Transportation reference data and methodologies.

Existing and future traffic noise exposure at nearby existing noise-sensitive receptors will be analyzed based on available traffic data and through application of the Federal Highway Administration traffic noise propagation modeling algorithms. Where traffic noise levels are calculated to exceed applicable thresholds at existing off-site noise sensitive receptors, further analysis will be performed to evaluate mitigation options.

Reporting

Dudek will prepare the noise and vibration section of the project EIR, which will discuss the existing environment, noise monitoring results, analysis methodology, and findings. The section will provide a summary of the relevant regulatory framework against which noise and vibration impacts are assessed based on the relevant City, State and federal standards. If the noise and vibration analysis identify significant impacts, mitigation measures to reduce impacts to a less-than-significant level (where feasible) will be recommended.

Task 4.3 Traffic Impacts Analysis

Dudek’s in-house transportation planners and engineers will prepare the Traffic Impact Analysis (TIA) for the proposed project consistent with the requirements of the City’s TIA guidelines, the San Mateo County Congestion Management Program (CMP), Caltrans Transportation Impact Study Guide (TISG) (where applicable), and Senate Bill 743 (SB 743). The following scope of work of the TIA is based on a scope of work provided by the City; and, prior to the initiation of the TIA, Dudek staff will consult with City Transportation staff to verify this work scope. Should additional items be requested and/or refined (or items removed), Dudek will amend the work scope and seek contract modification (if needed). The traffic data generated by the TIA will be provided to Dudek’s in-house Noise and Air Quality/Greenhouse Gasses (AQ/GHG) teams for use in their analyses to provide consistency between all three disciplines.

For any significant Project traffic impacts found, Dudek will determine appropriate and feasible mitigation measures to offset significant Project impacts.

Transportation Demand Management Plan

In accordance with City Municipal Code Section 16.45.090, projects with a net new increase (or change in land use) of 10,000 square feet (SF) of gross floor area will be required to develop a transportation demand management (TDM) plan to reduce at least twenty percent (20%) of net new vehicular trips. Dudek will review the applicant-provided TDM plan to determine whether the 20% reduction is achievable. If it’s determined to be achievable, the vehicle miles traveled (VMT) and level of service (LOS) analyses, described below, will include 20% project trip generation reduction to reflect the proposed TDM plan. If, through the vehicle miles traveled (VMT) analysis (described below), it is determined that a TDM reduction of more than 20% is required, Dudek will work with the City and applicant to determine appropriate measures to meet the required reduction in order to mitigate VMT impacts.

Vehicle Miles Traveled Analysis

The City has recently updated their TIA guidelines to comply with SB 743 which requires that transportation impacts in CEQA be determined based on the VMT metric, instead of the level of service (LOS) metric.

The City’s Transportation Impact Analysis Guidelines (2020) are largely based on the State Office and Planning Research (OPR) Technical Advisory (2018). Projects that have certain characteristics are exempted from further VMT analysis based on VMT exemption criteria. It is presumed that the proposed project cannot be screened-out

from further VMT analysis as it is not within a low VMT area and within ½ mile of an existing “major transit stop” or within ½ mile of a “high-quality transit corridor.” However, per the Metropolitan Transportation Commission (MTC) Final Plan Bay Area 2050 (2021), the project is within a Transit Priority Area (TPA) with a planned major transit stop at the intersection of Willow Road and Bayfront Expressway.

For purposes of this scope of work, it is assumed that the VMT analysis will be needed, and will be confirmed with the City based on the potential location of the project within a low VMT area and within a future TPA. The VMT analysis will be prepared using a travel demand model. Dudek will sub-contract with a City-approved traffic modeling consultant to modify and run the Menlo Park City Travel Demand Model. Our budget includes \$15,000 for the sub-contracted VMT modeling, which is consistent with current VMT modeling estimates in the Bay Area. Dudek will coordinate with the City to modify the TAZ within the Project site with the land uses of the proposed Project and perform a Select Zone model run to determine the Project’s trip assignment. As part of the Select Zone run, the VMT estimate of the Project will be determined for the per capita, per employee, and per service population variables. Then, the regional baseline VMT estimate for the study area (extent to be determined by the City) for those same variables will also be provided from the travel demand model. Dudek will analyze that data using the City’s VMT thresholds.

If a significant VMT impact is found, Dudek will identify feasible mitigation measures that could avoid or reduce the impact. TDM strategies to mitigate VMT will be utilized from the document *Quantifying Greenhouse Gas Mitigation Measures* (August 2010), prepared by California Air Pollution Control Officers Association (CAPCOA). Dudek will utilize the reduction factors provided in the document to quantify, wherever possible, the effect of applicable TDM strategies on VMT reduction of single occupant vehicle trips. It should be noted that the reduction of VMT for some of the measures is qualitative, therefore the mitigation measures will include both quantitative and qualitative significance after mitigation analysis. It should be noted that within the project area, strategies to reduce VMT are limited due to the lack of other existing transportation modes and reliance on private vehicles.

Level of Service Analysis

Dudek will also conduct an LOS analysis of the surrounding street network per the City’s TIA guidelines and the San Mateo County CMP. Dudek will confirm the study area with City prior to initiation of the TIA. As directed by the City, the following intersections would make up the study area:

Roadway Segments

1. O’Brien Drive between Willow Road and Kavanaugh Drive
2. O’Brien Drive between University Avenue and Kavanaugh Drive

Intersections

1. Willow Road and Bayfront Expressway (Menlo Park)
2. Willow Road and Hamilton Avenue (Menlo Park)
3. Willow Road and Ivy Drive (Menlo Park)
4. Willow Road and O’Brien Drive (Menlo Park)
5. Willow Road and Newbridge Street (Menlo Park)
6. Willow Road and US 101 NB Off-ramp (Menlo Park)
7. Willow Road and US 101 SB Off-ramp (Menlo Park)
8. O’Brien Drive and Kavanaugh Drive (Menlo Park)
9. University Avenue and Bayfront Expressway (East Palo Alto)

10. University Avenue and Adams Drive (East Palo Alto)
11. University Avenue and O'Brien Drive (East Palo Alto)
12. University Avenue and Kavanaugh Drive (East Palo Alto)

Dudek will work with the City to obtain recent traffic counts for the study area roadway segments and intersections, and adjust to current non-pandemic traffic conditions. Traffic counts may come from, and be consistent with, the traffic studies being prepared for on-going projects in the City.

Optional Task 1: As an optional task, at the direction of the City, new weekday daily roadway segment, and a.m. (7:00–10:00 a.m.) and p.m. (4:00–7:00 p.m.) peak hour intersection counts will be collected at the study area locations. Traffic counts will be collected during a typical weekday of a non-holiday week. The peak hour traffic counts will include bicycle and pedestrian volumes at the study intersections. Costs for this optional task are shown as a separate line item in our proposed budget.

Optional Task 2: As an optional task, at the direction of the City, if it's determined that the project triggers CMP review, a CMP-level analysis of CMP roadway segments will be prepared. For purposes of this scope of work, 6 CMP roadway segments are assumed to be analyzed. The CMP study area will be confirmed with the City. Costs for this optional task are shown as a separate line item in our proposed budget.

Level of Service

Intersection and roadway segment LOS analyses will be prepared for the weekday daily, a.m. peak hour, and p.m. peak hour at the study area locations listed above for the following analysis scenarios:

- Existing condition
- Near-Term base condition
- Near-Term plus project condition
- Cumulative (including all future potential development by year 2040)
- Cumulative plus project condition

The LOS analyses will be prepared consistent with the required analysis methodology of the City which is the Highway Capacity Manual (HCM) methodology using VISTRO traffic analysis software, which is currently being used on other projects under review by the City's Transportation Division. Project trip generation estimates will be based on trip rates in Trip Generation, 11th Edition. The Project's trip generation, distribution, and assignment will be approved by the City prior to completion of the traffic analysis. For the near-term and cumulative conditions, cumulative projects' traffic volumes will be based on the City's volumes in their VISTRO files. Dudek will also request approved and pending project lists (and traffic volumes and/or studies) from the City of East Palo Alto. This scope and budget includes the manual trip assignment of up to 10 approved and pending projects. Dudek will revise the near-term and cumulative VISTRO files as needed.

Transit, Pedestrian and Bicycle Facilities, and Project Access

Dudek will also qualitatively analyze the transit, pedestrian, and bicycle facilities that serve the Project site. Project access and on-site circulation will be based on the City's Standard Plans/Drawings for access and on-site circulation design requirements. Vehicular queuing at the Project's driveway will be analyzed for adequacy based on the 95th percentile (design) queues.

TIA Document

The methodologies, assumptions, analyses, findings, and mitigation measures (if any) will be summarized in a TIA report. All necessary tables, figures, and appendices will be provided in the TIA. A Draft TIA will be submitted to the City for review. This scope assumes one round of consolidated review by the City. Once comments are received from the City, Dudek will prepare a Final TIA for use in the Project’s CEQA document.

Task 4.4 Housing Needs Assessment

BAE will prepare a housing needs assessment for the proposed project. The analysis is scoped to satisfy the terms of the 2017 settlement agreement between the City of Menlo Park and the City of East Palo Alto, which states:

“The scope of the HNA will, to the extent possible, include an analysis of the multiplier effect for indirect and induced employment by that Development Project and its relationship to the regional housing market and displacement.”

To accomplish this, the analysis will include background analysis of the local and regional housing market context, identification of the proposed Project’s net impact on housing supply and demand across income levels, estimation of the impacts felt within Menlo Park, and an evaluation of the broader impacts on the balance of supply and demand within the regional housing market. The latter will include a qualitative assessment of the potential for displacement of lower-income residents within the local area. Following is a detailed description of the tasks and methodology to complete the scope of work.

Project Start-Up and Background Data Collection

To set the stage for the impact analysis, BAE will collect and analyze background data on demographic and housing market characteristics in Menlo Park and the wider region. Data collected will include information on household income levels, housing cost burden, overcrowding, renter and owner occupancy rates, residential rents and sale prices, typical residential turnover rates, recent residential construction activity, recent employment growth, projected household growth, and projected employment growth. This analysis will provide data on Menlo Park and the San Mateo County/Santa Clara County region of the Bay Area. If available from the City, BAE will also analyze data on the number and type of units in the residential development pipeline in Menlo Park. This analysis will include a qualitative assessment of the extent to which the background data indicate displacement risk for existing residents in the local area (e.g., Menlo Park and East Palo Alto).

Net Impact on Housing Supply and Demand by Income Level

To serve as the basis for the impact assessment, BAE will estimate the net impacts of the proposed Project on housing supply and demand, by income level.

- a. Net Direct Change in Worker Housing Demand

BAE will summarize the direct net impacts of the proposed Project on jobs, including the reduction of jobs potential due to removal of existing buildings, and the new job potential associated with the new R&D and employee amenity space. BAE will associate these job changes with the relevant industry sectors.

- b. Indirect and Induced Job Impacts and Related Regional Worker Housing Demand

Next, BAE will use the IMPLAN economic model to estimate the indirect and induced job impacts on housing demand associated with the changes in land use at the Project site, based on the estimated changes in the number of jobs at the project (i.e., direct employment from Sub-task a) by relevant industry sector as inputs for the IMPLAN model to estimate the indirect and induced jobs that the proposed Project will support within the San Mateo/Santa Clara County region. BAE will then estimate the direct, indirect,

and induced housing unit need associated with the Project’s total (direct, indirect, induced) net employment change by dividing the number of direct, indirect, and induced jobs by the average number of workers per worker household in the two-county housing market. BAE will then estimate the household income distribution for the new worker households generated by the direct, indirect, and induced employment from the proposed Project based on the household income distribution among existing workers in each relevant industry sector using Public Use Microdata Sample data.

c. Net Housing Demand/Supply Effect

BAE will aggregate the direct, indirect, and induced impact calculations from the preceding sub-tasks to produce a summary table that identifies the total estimated change in housing demand (units) by income level associated with the proposed Project.

Menlo Park Share of Housing Impacts

BAE will then estimate the share of new direct, indirect, and induced housing demand that will be located in Menlo Park and East Palo Alto based primarily on existing commute patterns. This task will also include a sensitivity analysis to estimate the housing demand in Menlo Park and East Palo Alto if housing demand among new workers differs somewhat from housing demand as indicated by existing commute patterns.

Analysis of Impacts on Local and Subregional Housing Market

Based on the findings from Tasks 1 through 3, BAE will provide an assessment of the potential relationship between the proposed Project, the regional housing market, jobs-housing balance, and displacement. This will include a qualitative analysis of the potential impacts of the proposed Project on residential rents and sale prices and the potential that the proposed Project will lead to the displacement of existing local area residents.

Draft and Final Reports

BAE will prepare a draft report that summarizes the approach to the Housing Needs Assessment and presents the research, analysis, and findings from the completed scope of work. Following submittal of the draft report, BAE staff will be available to discuss the Draft Report with City staff by teleconference and answer any questions. Upon receipt or a single, consolidated set of City staff comments on the Draft Report, BAE will revise the report as appropriate and prepare a Final Report for the City’s use. BAE will submit all report drafts in electronic format (Microsoft Word and/or Adobe PDF).

Task 5: Prepare Administrative Draft Focused EIR

Dudek will prepare the EIR pursuant to the requirements of the CEQA Statutes, CEQA Guidelines, CEQA case law, and City policies and standards. It will consist of the following sections:

- | | |
|-----------------------------|--|
| 1. Introduction | 7. Population, Employment, and Housing |
| 2. Executive Summary | 8. Transportation and Traffic |
| 3. Project Description | 9. CEQA-mandated sections: Growth Inducing Effects, Irreversible Environmental Effects |
| 4. Air Quality | 10. Alternatives to the Proposed Project |
| 5. Greenhouse Gas Emissions | 11. Preparers and References |
| 6. Noise | |

Each of the environmental analysis sections will contain the following: Environmental Setting, Regulatory Framework, Impacts, and Mitigation Measures. Each section will include a description of the baseline conditions of the Project site as they relate to the environmental resource being evaluated and the changes to those

conditions that would result from the proposed Project. The impacts analysis in each section will include specific consideration of cumulative impacts. The Thresholds of Significance for impacts to the subject resources will be defined based on applicable city, state, and federal policies, regulations, and standards. The impacts analysis in each section will include specific consideration of cumulative impacts. For the cumulative impacts analysis, the geographic area in which cumulative impacts may occur will be defined, the cumulative development scenario within that area will be identified, the potential for significant impacts to occur under the cumulative development scenario and the Project’s contribution to those impacts will be evaluated, and a determination of the significance of the Project’s contribution will be made. Each EIR section is detailed in the following discussion.

Introduction and Executive Summary

The introduction will describe the CEQA process as implemented by the City for the proposed Project and identify steps taken by the City to comply with relevant requirements (e.g., public scoping and notification). The executive summary will summarize the conclusions made in the EIR, presenting all potentially significant impacts and associated mitigation measures in a matrix format.

Project Description

The Project description will be prepared under Task 1. Final revisions to the Project description will be made as part of preparation of the Administrative Draft EIR (ADEIR).

Air Quality

Dudek will prepare the air quality section based on the results of air quality modeling performed by Dudek as described in Task 2.3 and the analysis of the significance of air pollutant emissions as described in Task 4.1. Local and regional climate, meteorology, and topography as they affect the accumulation or dispersal of air pollutants will be presented, and current air quality conditions and recent trends in the San Francisco Bay Area Air Basin and Project area will be described on the basis of the CARB and the U.S. Environmental Protection Agency annual air quality monitoring data summaries. Federal, state, and local regulatory agencies responsible for air quality management will be identified, and applicable federal, state, and local air quality policies, regulations, and standards will be summarized. Details of the analysis (e.g., daily emission calculations) will be included in an appendix to the EIR. The EIR will summarize the results of the modeling and impact analysis. The impact analysis will be based on the significance thresholds in Appendix G of the CEQA Guidelines and the BAAQMD emissions-based thresholds. The net increase in operational emissions (i.e., Project minus existing) will be compared to the significance thresholds established by BAAQMD.

Greenhouse Gas Emissions

Dudek will prepare the GHG emissions section based on the results of GHG emissions modeling described in Task 2.3 and the analysis of the significance of GHG emissions as described in Task 4.1. The GHG emissions assessment will include a brief description of global climate change and a summary of key, applicable regulatory measures. The net increase in GHG emissions (i.e., Project minus existing emissions) will be presented in the EIR and details of the analysis (e.g., annual GHG emission calculations) will be included in an appendix.

The City has an adopted CAP, which was approved in 2009 and updated in 2011, 2013, 2014, 2015, and 2018. Further, the City recently adopted the 2030 CAP (First Draft) in June 2020. Dudek will discuss how the Project complies with the City CAP, state regulations (AB 32), the Plan Bay Area, and applicable laws and regulations that would increase energy efficiency, such as the California Building Code. In addition, since neither the City nor BAAQMD have a quantitative threshold for post-2020 development, Dudek will work with the City to calculate a scaled Project-specific threshold for GHGs based on the anticipated buildout year of the Project, the latest City inventories, and the City and/or state reduction goals. Along with plan consistency, this calculated threshold will be used to determine whether the Project GHG emissions are significant.

Noise

The Noise section will address impacts of Project construction and operation on existing background noise levels based on the results of noise modeling performed by Dudek as described in Task 4.2. The noise section will discuss the existing environment, noise monitoring results, analysis methodology, and findings. The section will provide a summary of the relevant regulatory framework against which noise and vibration impacts are assessed based on the relevant county, state, and federal standards. If significant impacts are identified, mitigation measures to reduce impacts to a less-than-significant level (where feasible) will be recommended. The analysis of operational noise impacts will consider future noise levels using Project and roadway information generated from the TIA (Task 4.3) and noise exposure within the proposed Project site associated with adjacent roadways.

Population, Employment, and Housing

The HNA, prepared by BAE under Task 4.4, will form the basis of the analysis in this section of the EIR regarding the potential the Project to create population, employment, and housing impacts. The analysis will be prepared in the context of the conclusions and analysis presented in the ConnectMenlo Final EIR, while also considering that the Project along with other development applications currently being processed by the City would result in more dwelling units than anticipated in ConnectMenlo. In addition, the analysis will address the following:

- Existing baseline data from the City, the Association of Bay Area Governments Plan Bay Area, the State Department of Finance, and the Employment Development Department, as well as applicable data from the U.S. Census and the City’s Housing Element to describe current household characteristics and population and employment trends within the City
- The population that could reside within the proposed dwelling units
- Applicable local and state housing policies and the extent to which the Project is consistent with the City’s housing goals and policies, including the potential to provide affordable housing and the potential demand for affordable housing associated with the proposed Project
- Project buildout effects on population distribution, density, and growth and the City’s jobs/housing balance
- Mitigation measures to reduce or avoid any identified significant environmental impacts associated with population, employment, and housing

Transportation and Traffic

Dudek will prepare the traffic analysis section of the EIR to consider potential impacts to traffic and other forms of transportation (public buses, pedestrian, and bicycle) based on the TIA prepared in Task 4.3. This section will identify existing traffic conditions and traffic generated by the proposed Project and will provide an analysis of estimated impacts to area circulation and transportation resulting from the proposed Project based on consideration of VMT as well as non-passenger-vehicle modes of transportation. The EIR will identify feasible mitigation measures as determined by the traffic impact analysis and City staff and will identify the residual significance (following implementation of mitigation measures) of any impacts identified.

In addition, the Transportation and Traffic section of the EIR will include a discussion of the project’s LOS effects. While CEQA and the CEQA Guidelines preclude relying on LOS to identify significant environmental effects, measures of traffic congestion remain a topic of interest to decision-makers and the public. Thus, the LOS analysis included in the TIA will be presented in a “Non-CEQA Transportation Considerations” section within this chapter.

CEQA-Mandated Sections

Growth Inducement

This section will evaluate the potential for the proposed Project to induce additional growth in the Project vicinity and the relationship of the currently anticipated growth to the dwelling unit cap established in ConnectMenlo. This analysis will consider the degree to which the Project may remove barriers to growth and/or provide infrastructure and other improvements that could support additional growth as well as the multiplier effect from development of non-residential uses.

Significant and Unavoidable Impacts and Irreversible Environmental Effects

Based on the analysis presented in each of the environmental resource sections, a list of the proposed Project's significant and unavoidable impacts will be provided. Further, the use of nonrenewable resources and commitment of environmental resources associated with the proposed Project will be evaluated to determine if the proposed Project would result in additional irreversible environmental effects.

Note that cumulative impacts will be addressed in each of the environmental resource analysis sections.

Alternatives to the Proposed Project

Dudek will work with City staff to identify up to three substantive Project alternatives. Developing the Project alternatives may include consideration of public comments received in response to the NOP, modification of the Project footprint and building design, reduction of the Project's density and/or intensity, and/or modification of the Project's land uses. Dudek will evaluate each of the selected Project alternatives and the no-project alternative with respect to the potential for an alternative to reduce or avoid the proposed Project's significant impacts.

Preparers and References, Technical Appendices

The Draft EIR will include a references section providing citations for all sources used to complete the EIR and a listing of all professionals who have contributed to preparation of the EIR. An electronic copy of each source document will be provided to the City on CD so that the Project's administrative record is complete.

The EIR Technical Appendices will include the NOP, IS (including the IS Technical Appendices) and all scoping comments received, the Project plans, and the technical reports prepared under Task 4. The Technical Appendices will be provided in electronic format only.

Task 6: Screencheck Draft EIR and Mitigation Monitoring Program

Once the City and project applicant have reviewed the ADEIR and provided Dudek with a single set of consolidated comments, Dudek will revise the ADEIR and submit a screencheck Draft EIR to the City for final review. Dudek will also prepare a Mitigation Monitoring Program to document the timing, monitoring requirements, and performance criteria for all mitigation measures included in the EIR.

Optional Task 6A: 2nd ADEIR

Depending on the City's comments on the ADEIR, Dudek will prepare a 2nd ADEIR. This draft would incorporate revisions based on the City's comments on the 1st ADEIR, if the City determines that the comments on the 1st ADEIR are substantive enough to require revisions be completed before the ADEIR is provided to the applicant for review.

Task 7: Public Review Draft EIR

Based on City staff comments on the screencheck document, Dudek will prepare the Draft EIR for public review. Dudek will work with City staff to assemble, notice, and distribute the Draft EIR for public review. Dudek assumes City staff will deliver the Notice of Availability of the EIR to the San Mateo County Clerk for posting and will undertake local agency distribution. Dudek will prepare a Notice of Completion in the format of the most recently updated CEQA Guidelines for review and approval by the City prior to public distribution and submit 15 hard copies of the Draft EIR to the City for distribution; technical appendices will be provided on a CD or flash drive. Dudek will undertake online submittal of the Draft EIR to the State Clearinghouse.

Task 8: Final EIR

Following conclusion of the public review period, Dudek will catalog and categorize comments on the Draft EIR and prepare responses to comments for inclusion in the Final EIR. This scope assumes that Dudek and BAE will respond to up to 50 substantive public comments on the Draft EIR (note that a single comment letter may contain multiple comments). BAE will assist with preparing responses to housing impacts comments. Dudek will also assemble text changes to the EIR, as appropriate. Dudek will submit electronic copies of the administrative Final EIR for City review and will revise the document as directed by City comments. It is assumed that no changes to technical reports would be required at this stage of the EIR preparation. Dudek will submit 15 hard copies of the Final EIR to the City for distribution.

Dudek will also prepare a draft of the CEQA Findings of Fact documenting the CEQA process followed for the proposed Project, the administrative record for the EIR, and the required findings for each impact determined to be potentially significant. A statement of overriding considerations will be included if significant unmitigated impacts are identified as part of the CEQA review process. We have not retained counsel for this task and assume that the City attorney will review the findings prior to any public hearings on the Final EIR. Dudek will submit an administrative draft of the findings electronically and revise the document based on City comments.

Finally, Dudek will prepare a Notice of Determination for City staff to record should the EIR be certified and the Project approved.

Task 9: Meetings and Hearings

Dudek's project manager, Katherine Waugh, will attend the following meetings. At this time, it is assumed that all meetings will be virtual. However, we have included a contingency budget to allow for in-person attendance at up to three meetings in the event that in-person meetings are permitted under public health guidance in effect at the time of the meeting:

- Project kickoff meeting (included in Task 1)
- Scoping Meeting (included in Task 3)
- Four Project status/document review meetings with City staff to review Project status, technical study assumptions and content, document progress, comments on administrative drafts of documents, and other project issues
- One Planning Commission meeting
- One City Council meeting.

At public meetings and hearings, Dudek will be available to present a summary of the documents being reviewed or considered, respond to questions, and provide any necessary information. During each public meeting, Dudek staff will summarize and explain the results of the EIR to public officials and take notes to document comments received on the EIR.

Task 10: Project Management

We prioritize project management and believe that a focused, well-managed effort on the part of the Dudek team will be key to achieving the City's processing goals for the proposed Project. This task includes preparation of regular progress reports to be submitted with our monthly invoice to the City. A key element of Dudek's progress report procedures is identifying upcoming issues and information needs, as well as a summary of tasks completed during the previous month. This helps maintain project momentum by identifying issues as early in the process as possible and building a record of project progress.

Throughout the Project, Ms. Waugh will be available to consult with City staff by telephone and email, with a goal of responding to emails within 24 hours. Ms. Waugh will also actively engage with all of the Dudek team members and subconsultants to ensure all parties have consistent Project information, are meeting Project milestones, and are working within the agreed-upon scope of work and budget.

Project Schedule

Dudek’s estimated schedule to complete the scope of work described in this proposal is presented in Table 2. As shown, Dudek anticipates that the NOP, which would include the Initial Study and associated technical studies, would be circulated for public comment approximately 21 to 22 weeks after project initiation. We also anticipate that the Draft EIR would be circulated for public review approximately 39 to 40 weeks after project initiation, and that the Final EIR would be complete approximately 53 to 54 weeks after project initiation.

Table 2. Project Schedule

Task Name	Weeks Elapsed	Total Weeks Elapsed
Task 1 Project Initiation and Project Description		
Initiation meeting and site visit	1 week	1 week
Preliminary Project Description and Request for Information	1 week	2 weeks
City review	3 weeks	5 weeks
Final Project Description	1 week	6 weeks
Task 2 Initial Study and Associated Technical Studies		
Built Environment Inventory and Evaluation Report	7 weeks from end of Task 1	13 weeks
CalEEMod Modeling	6 weeks from end of Task 1	12 weeks
Draft Initial Study	1 week from completion of Built Environment study	14 weeks
City Review	3 weeks	17 weeks
Revised Initial Study	1.5 weeks	18.5 weeks
Task 3 Notice of Preparation and Scoping		
Draft NOP	Concurrent with Revised Initial Study	18.5 weeks
City Review	2 weeks	20.5 weeks
Final NOP	0.5 week	21 weeks
NOP Circulation	30 days (4.5 weeks)	25.5 weeks
Task 4 Technical Analyses		
Air Quality/GHG	5 weeks, to begin at week 22	27 weeks
Optional Construction HRA	Concurrent with AQ/GHG analysis	27 weeks
Noise Assessment	6 weeks, to begin at week 20	26 weeks
Transportation	9 weeks, to begin at week 18	27 weeks
Housing Needs Assessment	9 weeks, to begin at week 18	27 weeks
Task 5 Administrative Draft Focused EIR		
Admin Draft Focused EIR	2 weeks after completion of Task 4	29 weeks
City review	3.5 weeks	32.5 weeks
Task 6 Screencheck Draft EIR		
Screencheck Draft EIR	2.5 weeks	35 weeks
City review	2.5 weeks	37.5 weeks

Table 2. Project Schedule

Task Name	Weeks Elapsed	Total Weeks Elapsed
Task 7 Public Review Draft EIR		
Draft EIR	1.5 weeks	39 weeks
Publication and public review	7 weeks	46 weeks
Task 8 Final EIR and MMRP		
Admin Final EIR and MMRP	3 weeks	49 weeks
City review	2.5 weeks	51.5 weeks
Final EIR and MMRP	2 weeks	53.5 weeks
Task 9 Meetings and Hearings		
Meetings and hearings	Ongoing throughout	
Task 10 Project Management		
Project management	Ongoing throughout	

Project Budget

Dudek’s cost estimate to complete the scope of work described in this proposal is presented in Table 3. As shown, Dudek estimates the cost to complete the CEQA compliance process for this project will cost \$219,273.00 . In addition, we have identified four optional tasks with a total additional cost of \$25,590.00.

Table 3. Cost Estimate

Dudek Labor Hours and Rates																						Subconsultant Fees		Other Direct Costs	Total Fee		
Project Team Role:	Project Director/ Environmental	Senior Specialist IV	Specialist IV	Analyst V	Analyst I	Senior Specialist III	Specialist V	Analyst IV	Analyst I	Senior Specialist I	Technician IV	Senior Specialist I	Specialist V	Specialist IV	Principal Engineer II	Project Director/ Environmental	Specialist III	Specialist I	GIS Analyst III	Technical Editor III	Publications Specialist II	Housing Needs Assessment	VMT Modeling				
Team Member:	Ann Sansevero	Katherine Waugh	Kaitlin Roberts	Daniel Hoffman	Savannah Rigney	Scott Eckardt	Katie Haley	Kate G. Kaiser	Erin Jones	Adam Giacinto	Ross Owen	Matthew Morales	Ian McIntire	Michael Carr	Charles Greely	Dennis Pascua	Sabita Tewani	Mladen Popovic	GIS Analyst III	Technical Editor III	Publications Specialist II	BAE Fee	TBD VMT Modeling Fee				
Billable Rate:	\$255	\$235	\$175	\$130	\$85	\$225	\$185	\$115	\$85	\$195	\$95	\$195	\$185	\$175	\$275	\$255	\$165	\$140	\$145	\$150	\$100						
	Total Dudek Hours	Dudek Labor Costs																									
Task 1	Project Initiation and Project Description	1	10	1	5	4													3	2		26	\$4,505			\$235.75	\$4,740.75
Task 2	Initial Study and Associated Technical Studies																										
2.1	Initial Study	3	14	8	20	26						2	14						4	10	6	107	\$15,925				\$15,925
2.2	Built Environment Evaluation and AB 52 Support		1		2		4	20	74	4	6								7	8	3	129	\$13,690			\$822.25	\$14,512.25
2.3	CalEEMod Modeling		2		2							1	8									13	\$2,405				\$2,405
	<i>Subtotal Task 2</i>	3	17	8	24	26	-	4	20	74	4	6	3	22					11	18	9	249	\$32,020			\$822.25	\$32,842.25
Task 3	NOP and Scoping		10		6	4													1	2	2	25	\$4,115				\$4,115
Task 4	Technical Studies																										
4.1	AQ and GHG Emissions				1							10	22									33	\$6,150				\$6,150
4.2	Noise Assessment		1		36									30					2			69	\$10,455			\$667	\$11,122
4.3	TIA		4												3	25	48	115				195	\$32,160		17250		\$49,410

Table 3. Cost Estimate

Dudek Labor Hours and Rates																						Subconsultant Fees			Other Direct Costs	Total Fee		
Project Team Role:		Project Director/ Environmental	Senior Specialist IV	Specialist IV	Analyst V	Analyst I	Senior Specialist III	Specialist V	Analyst IV	Analyst I	Senior Specialist I	Technician IV	Senior Specialist I	Specialist V	Specialist IV	Principal Engineer II	Project Director/ Environmental	Specialist III	Specialist I	GIS Analyst III	Technical Editor III	Publications Specialist II	Total Dudek Hours	Dudek Labor Costs			Housing Needs Assessment	VMT Modeling
Team Member:		Ann Sansevero	Katherine Waugh	Kaitlin Roberts	Daniel Hoffman	Savannah Rigney	Scott Eckardt	Katie Haley	Kate G. Kaiser	Erin Jones	Adam Giacinto	Ross Owen	Matthew Morales	Ian McIntire	Michael Carr	Charles Greely	Dennis Pascua	Sabita Tewani	Mladen Popovic	GIS Analyst III	Technical Editor III	Publications Specialist II					BAE Fee	TBD VMT Modeling Fee
Billable Rate:		\$255	\$235	\$175	\$130	\$85	\$225	\$185	\$115	\$85	\$195	\$95	\$195	\$185	\$175	\$275	\$255	\$165	\$140	\$145	\$150	\$100						
4.4	HNA		2			2																	4	\$640	26162.5		\$26,802.50	
Subtotal Task 4			7		37	2							10	22	30	3	25	48	115	2			301	\$49,405		\$667	\$93,484.50	
Task 5	ADEIR	4	30	12	40	28							6	24						4	28	16	192	\$29,740			\$29,740	
Task 6	Screencheck ADEIR		14	4	18	20														2	6	6	70	\$9,820			\$9,820	
Task 7	Draft EIR		10		14	5															4	10	43	\$6,195		\$97.75	\$6,292.75	
Task 8	Final EIR	4	22	10	28	32															10	20	126	\$17,800	2300	\$97.75	\$20,197.75	
Task 9	Meetings and Hearings		22		10												2		2				36	\$7,260			\$7,260	
Task 10	Project Management	4	36		10																		50	\$10,780			\$10,780	
Total Hours		16	178	35	192	121	-	4	20	74	4	6	19	68	30	3	27	48	117	23	70	63	1118					
Total		\$4,080	\$41,830	\$6,125	\$24,960	\$10,285	-	\$740	\$2,300	\$6,290	\$780	\$570	\$3,705	\$12,580	\$5,250	\$825	\$6,885	\$7,920	\$16,380	\$3,335	\$10,500	\$6,300		\$171,640	\$28,462.50	\$17,250	\$1,920.50	\$219,273.00
Task 4.1A	Construction HRA		1										8	26									35	\$6,605			\$6,605	
Task 4.3A	New Traffic Counts																4	14	18				36	\$5,850			\$5,850	
Task 4.3B	CMP Analysis																4	5	14				23	\$3,805			\$3,805	
Task 6A	2nd ADEIR		12	8	16	18															6	6	66	\$9,330			\$9,330	
Total Optional + Base Hours and Fee		16	191	43	208	139	-	4	20	74	4	6	27	94	30	3	35	67	149	27	76	69	1278	\$197,230	\$28,462.50	\$17,250	\$1,920.50	\$244,863.00

Appendix A

Resumes

Katherine Waugh, AICP

SENIOR PLANNER

Katherine Waugh is a senior planner with 22 years' experience with California Environmental Quality Act (CEQA) statutory requirements, current planning methods, and environmental documentation procedures. She prepares CEQA documents for a wide range of public and private projects, managing projects effectively and maintaining momentum to meet schedule and budget requirements. Ms. Waugh applies planning and environmental laws and regulations practically and with an attention to detail, allowing her to quickly identify and resolve critical planning and environmental issues. She maintains relationships with many local and state agencies, enabling efficient consultation and thorough attention to their concerns, while integrating outside agency requirements with the Lead Agency's mitigation measures and development review procedures.

Project Experience

123 Independence Drive, City of Menlo Park, California. Project manager for an EIR evaluating demolition of five existing office and industrial buildings and construction of approximately 316 rental apartments and 116 for-sale townhomes on an approximately 8-acre project site in the Bayfront Area of the City of Menlo Park.

Castilleja School Project, City of Palo Alto, California. Project manager for a focused EIR evaluating this private school's request for a Conditional Use Permit amendment that would allow an increased enrollment cap, demolition of existing school buildings, and construction of new academic buildings and a below-grade parking garage.

Expansion at Avenidas IS and MND, City of Palo Alto, California. Project manager for preparation of an IS and MND evaluating the expansion of an existing senior community center. Issues focused on the historical status of the building and ensuring compliance with the Secretary of the Interior Standards to ensure that the proposed expansion would not impair the historic significance of the building.

1050 Page Mill Road, City of Palo Alto, California. Served as project manager for an EIR for the demolition of 285,000 square feet of existing office/warehouse/research and development space and construction of the equivalent amount of office space. Worked with city staff and the project's traffic consultant to conduct research and prepare analysis to determine the appropriate baseline condition from which to evaluate impacts, with the goal of ensuring that the baseline conditions provide an appropriate representation of the historic and recent use of the site. Coordinated subconsultants in completing peer reviews of the project's traffic and noise impact analyses, worked with Dudek staff to review the project's biological resources report, and completed peer review of the project's air quality and greenhouse gas analysis.

429 University Avenue Mixed-Use Project, City of Palo Alto, California. Served as supervising senior planner for an MND for demolition of two one-story retail buildings totaling 11,633 square feet and construction of a new four-



Education

*University of California,
Davis
BS, Environmental Policy
Analysis and Planning*

Certifications

*American Institute of
Certified Planners (AICP)*

Professional Affiliations

*American Planning
Association*

*Association of
Environmental
Professionals*

story mixed-use building with two levels of underground parking. Worked with Dudek staff to review the project's historic evaluation, noise, and arborist's reports. Completed air quality modeling using CalEEMod. Managed Dudek staff in preparing the Initial Study/Mitigated Negative Declaration (IS/MND) and attended several project hearings. Critical project issues included aesthetics, traffic, and noise.

City of Citrus Heights City Hall and Medical Office Building, City of Citrus Heights, California. Project manager for preparation of a detailed IS and Focused EIR to evaluate proposed demolition of the existing city hall, construction of a Medical Office Building on the current city hall site, and construction of a new city hall at a new site. Key issues included traffic, hazards and hazardous materials, noise, aesthetics, and land use compatibility. Participated in a series of public outreach meetings to solicit community feedback on project design and environmental impact analysis.

PG&E Sacramento Street Renovation Project, City of Auburn, California. Project manager for Dudek's peer review of technical studies, IS/MND, and MMRP drafted by the project applicant's consultants for PG&E's proposed renovations to their storage and operations yard located in the City of Auburn. The project contemplates interior renovations to one building, demolition of several storage buildings to be replaced with construction of a single warehouse, and associated hardscape and landscape updates.

Dorsey Marketplace Mixed-use Lifestyle Center, City of Grass Valley, California. Serving as project manager for Dudek's preparation of an EIR for the Dorsey Marketplace project in the City of Grass Valley. The Draft EIR evaluates two project alternatives at an equal level of detail: Alternative A includes 178,960 square feet of commercial space and 90 multiple-family dwelling units; Alternative B includes 104,350 square feet of commercial space, 8,500 square feet of office space, and 172 multiple-family dwelling units. The ability of the proposed commercial space to capture a portion of the region's retail sales leakage without adversely affecting existing businesses in the Downtown Business District was a key issue for the project. Other key issues include traffic, aesthetics, and remediation of hazardous soil conditions due to the prior mining use of the site.

Placer County Government Center Master Plan Update, Placer County, California. Project manager for Dudek's role in the County's recent effort to update the master plan the DeWitt Government Center, the primary location of Placer County offices. Dudek participated in public workshops and preliminary site evaluation and design led by the County's architectural **consultant** and prepared an EIR for the proposed Master Plan Update. Provision of public services and utilities, effects to the designated historic district onsite, and aesthetics were critical project issues. Between 2003 and 2005, served as project manager for an EIR, EIR addendum, and two MNDs for a series of projects involving demolition of World War II-era buildings and construction of new office buildings, justice center facilities, and an emergency residential shelter at the campus. Project required State Historic Preservation Officer consultation, Caltrans Division of Aeronautics and Placer County Airport Land Use Commission approval of the height of a communications tower; special-status species surveys; and 401, 404, and 1600 permits.

CEQA Compliance Services, West Valley-Mission Community College District – Mission College campus, Santa Clara, California. Project manager for preparation of two EIR Consistency Reviews for improvement projects at the Mission College campus. Projects were anticipated in the campus's Facilities Master Plan and had been preliminarily evaluated in a 2009 Facilities Master Plan EIR. As required by that EIR, Dudek's work included technical studies for cultural resources and hazardous materials. The consistency reviews demonstrated that impacts of the improvement projects were consistent with the impacts identified in the 2009 EIR, that all applicable mitigation measures from the 2009 EIR would be implemented and that no new impacts had arisen due to changes in circumstances in the project vicinity or changes in regulations.

Ann Sansevero, AICP

SENIOR PROJECT MANAGER

Ann Sansevero is a certified project manager and a certified planner through the American Institute of Certified Planners (AICP). Ms. Sansevero has 35 years' experience in the field of environmental assessment and land use planning with a broad range of experience in the management and preparation of California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) documents, other types of planning and environmental studies, and regulatory and land use permitting applications for public projects. Her areas of expertise include environmental planning, project management, CEQA/NEPA compliance, regulatory and coastal permitting, land use planning and design, sustainability, differential site assessments, and mitigation monitoring and reporting.

Ms. Sansevero has lived and worked in Santa Cruz for more than 20 years and has extensive experience in preparing CEQA documents for projects in the city and county of Santa Cruz and elsewhere in the Monterey Bay area and greater Northern California, including but not limited to the projects listed below. Given this experience, she is very familiar with the methodological approaches and data sources used to support CEQA documents prepared locally.



Education

University of California,
Santa Cruz
BA, Biological Sciences
and Environmental
Studies

Certifications

American Institute of
Certified Planners (AICP)

Relevant Previous Experience

Urban Forest Master Plan IS/MND, Palo Alto, California. Served as project manager for the Urban Forest Master Plan IS/MND for the City of Palo Alto Public Works Department. Key issues involved biological resources and construction-type impacts related to the implementation of the plan elements and policies. The IS/MND was completed on an accelerated schedule and was adopted without challenge.

Tannery Arts Center EIR, Santa Cruz, California. Served as assistant project manager for the Tannery Arts Center EIR. The project site was located on the former Salz Leather Tannery in Santa Cruz, California, and due to the former use, the site had extensive soil and groundwater contamination. Primary responsibilities included preparing the Hazardous Materials section of the EIR, which contemplated soil and groundwater investigations, a health risk assessment, a remedial action plan, and a building hazards assessment survey for the site. She also prepared the Biotic Resources and Air Quality sections of the document.

San Francisco State University (SFSU) Campus Master Plan EIR and Tiered CEQA documents, San Francisco, California. Served as project manager for the SFSU Campus Master Plan EIR, certified in November 2007. Her primary responsibilities included managing the EIR preparation process, in-house staff, and all aspects of contract management; scope definition; document content; administrative reviews; and team coordination. She was also responsible for interfacing with campus and consulting architects and engineers related to project design and definition. This became a very controversial planning effort due to concerns raised by the surrounding community and the City and County of San Francisco. The Master Plan was modified in response to public comments received. The Final EIR therefore evaluated the refined project, as well as responded to the comments raised. Was involved in the negotiation with the City and County of San Francisco to develop a Memorandum of Understanding (MOU) covering off-campus impacts and mitigation measures. The MOU, developed in light of City of Marina v. Board of

Trustees of the California State University requirements, was successfully negotiated, which prevented a potential lawsuit. Further, since the certification of the EIR in November 2007, she has been assisting campus planners with establishing an appropriate approach for monitoring the implementation of both EIR mitigation measures and elements of the MOU signed with the local agency; and developing appropriate CEQA and permitting strategies for project-specific development projects being implemented under the master plan. Tiered CEQA documents have been prepared for the Creative Arts Center Project, the Recreation Wellness Center Project, and the West Campus Green Project. A tiered, focused EIR for the South Campus Development Project is just getting underway.

scwd2 Regional Seawater Desalination Project Environmental Impact Report (EIR) and Up-Front Project Planning Support Services, Santa Cruz, California. Served as project manager for the scwd2 Regional Seawater Desalination Project EIR and related services conducted for the City of Santa Cruz (City) and the Soquel Creek Water District (District). These agencies were pursuing a joint desalination facility project to address water supply shortages during drought and concerns about groundwater over-pumping and seawater intrusion. The project would have provided 2.5 million gallons per day of water to help the District reduce over-pumping the aquifer and to help the City meet its water needs during water supply shortages. Primary responsibilities included providing upfront planning and project development support; managing the EIR and Seawater Intake Conceptual Design Report preparation process, in-house staff, and all aspects of contract management, scope definition, document content, administrative reviews, and team coordination; interfacing with the City, District, and consultant team involved with the proposed project; and playing the lead role in all CEQA-related public meetings. The draft EIR was issued in May 2013, but the project was put on hold in 2013 while the City's Water Supply Advisory Committee (WASC) completed a water supply planning process. Desalination was identified as a backup source of water supply in the final WASC report that was recently completed.

San Lorenzo Valley Water District, Scotts Valley Multiagency Emergency Intertie Project CEQA and Permitting, Santa Cruz County, California. As project manager, oversaw the preparation of the IS/MND for this emergency intertie project. Five water purveyors within Santa Cruz County were proposing to construct emergency interties to connect the water service areas of six community water systems. A grant for funding to construct these emergency interties was received from the California Department of Public Health (CDPH) under Proposition 50 Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002. Responsible for directing the work, coordinating with the client and client's consultants, conducting quality reviews, subconsultant management, and directing the preparation of the Incidental Take Permit for the Mount Hermon June beetle (*Polyphylla barbata*), Zayante band wing grasshopper (*Trimerotropis infantilis*), and the California red-legged frog (*Rana draytonii*) for the project. The IS/MND was adopted in June 2013. Also helped the District with construction mitigation monitoring for several of the interties identified in the IS/MND. A number of the interties have been constructed or are under construction.

Salinas Area Materials Recovery Center (MRC) and Organics Recovery Project, Preliminary Design, EIR, and Permitting, Salinas, California. The Salinas Area MRC facility will replace the Salinas Valley Solid Waste Authority's Sun Street temporary facility, currently in operation in Salinas. This work is in the process of getting underway and current work involves project description development, conceptual design, CEQA scope development, and launching the EIR. Has worked with the Authority since 2011 on various siting alternatives being considered for the project. During the EIR preparation process, she will be involved in helping to develop and refine the project description, developing the baseline, and in overseeing the traffic analysis for the project.

Conservation Center for Wildlife Care EIR, Santa Clara County, California. Served as project manager for Conservation Center EIR that was prepared for the Santa Clara County Planning Office, under an on-call contract for CEQA services with the County. The Conservation Center in the Santa Cruz Mountains would provide a state-of-the-art facility for rehabilitation of injured and orphaned native wildlife and would also allow for captive propagation of small, endangered, threatened or imperiled native species.

Daniel Hoffman

CEQA/NEPA PLANNER

Daniel Hoffman is an environmental planner with 5 years' professional experience specializing in CEQA/NEPA compliance, planning and permitting, and construction management.

Mr. Hoffman has worked as an environmental planner and contract city planner for several municipalities throughout Northern California such as the Cities of Martinez, San Pablo, Vallejo, and Watsonville and Counties of Santa Clara and Sonoma. Mr. Hoffman has produced defensible CEQA documents, implemented and navigated regulatory permitting processes, and prepared and presented staff reports in public hearings.

Education

Whitman College
BA, Environmental
Studies/Economics

Professional Affiliations

Association of
Environmental
Professionals}

Relevant Previous Experience

Santa Clara Valley Medical Center Behavioral Health Services Center Initial Study/Mitigated Negative Declaration (IS/MND), MIG Inc., Santa Clara, California. Served as environmental planner for a medical facility project consisting of a three-story Behavioral Health Services Center building and associated four-story parking structure. The project was to replace, consolidate, and expand existing mental health services on the medical campus that were previously housed in three separate buildings into one facility. The facility's expanded services benefit the behavioral health needs for Santa Clara County residents and the surrounding communities. Tasks included environmental analysis through the preparation of a project CEQA IS/MND and preparation of public noticing documents.

Tru Hilton Hotel IS/MND and Conditional Use Permitting (CUP), MIG Inc., Santa Rosa, California. Served as environmental planner and contract project planner for a hospitality project consisting of a four-story hotel near the Charles M. Schulz Airport. Tasks included environmental analysis through the preparation of a project CEQA IS/MND, planning review and staff report for the CUP and Design Review, preparation of public noticing documents, and correspondence with interested public.

Carlton Senior Living Facility IS/MND and CUP, MIG Inc. Vallejo, California. Served as environmental planner and contract project planner for a senior living facility project involving the construction and operation of a 156-unit senior living facility at a formerly vacant Elks Lodge site. Tasks included environmental analysis through the preparation of a CEQA IS/MND, planning review and staff report preparation for the CUP, preparation of public noticing documents, correspondence with interested public, and staff report presentation to City Planning Commission.

Sonoma County Cannabis Program CEQA Analysis and Local Permitting, MIG Inc., Sonoma County, California. Served as environmental planner and contract county planner for Permit Sonoma. The program was established in 2015 to locally permit cannabis cultivation, manufacturing, and dispensing operations throughout Sonoma County. Tasks included generating a template IS/MND for the client's internal use as well as working with applicants and operators to zoning compliance and CUP issuance. Served as project planner for second outdoor cannabis cultivation CUP issued in Sonoma County. Prepared and presented staff reports to Planning Commission.

City of San Pablo Contract Planning, MIG Inc., San Pablo, California. Served as contract planner for the City of San Pablo's Planning Department. Provided staff support to the City of San Pablo by providing project management, staff report preparation, general plan and zoning analysis, and customer service via telephone, email, and public information counter. Presented staff reports to City of San Pablo's Planning Commission and helped author the City's revised Accessory Dwelling Unit ordinance to better comply with State legislation.

City of Martinez Contract Planning, MIG Inc., Martinez, California. Served as contract planner for the City of Martinez' Planning Department. Provided staff support to the City of Martinez by providing project management, staff report preparation, general plan and zoning analysis, and customer service via telephone, email, and public information counter.

Charter Hotel, Skanska USA Building, Seattle, Washington. Served as construction project engineer to coordinate multiple scopes of work for a 16-story hotel build in Downtown Seattle. Fostered positive cross-functional relationships with developers, subcontractors, crew members, engineers, and architects while tracking project costs and schedule.

Awards

"People's Choice" and "Communication" Awards from the Portland Design Museum and American Society of Landscape Architects, 2018, for designing, engineering, and fabricating a public bench in Portland, Oregon.

Savannah Rigney

ENVIRONMENTAL ANALYST

Savannah Rigney is an environmental analyst and field technician with 3 years' experience in environmental science and natural resource management, including California Environmental Quality Act (CEQA) Environmental Impact Reports (EIRs), fisheries management, burrowing owl (*Athene cunicularia*) surveys, and hazardous tree surveys. Ms. Rigney has experience working for private and public organizations and local government, including the City of Santa Cruz. She has research experience working in a university setting.

Education

California Polytechnic University (Cal Poly), San Luis Obispo
BS, Environmental Management and Protection

Professional Affiliations

Association of Environmental Professionals

Project Experience

Solar Project, Kern County, California. Served as an environmental analyst for a Notice of Preparation and EIR for a solar project in Kern County, California. The purpose of the project is to construct a photovoltaic solar facility with associated infrastructure on privately owned land. The project also includes the installation of up to 100 megawatts of battery energy storage facilities. Implementation of the project proposed Conditional Use Permits to allow for the construction and operation of solar facilities within an agriculture zone, a General Plan Amendment to the Circulation Element of the Kern County General Plan, and Williamson Act Land Use Contract Cancellations. Task included drafting the analysis for potential impacts for aesthetics, agriculture, cultural resources, energy, land use and planning, mineral resources, public services, recreation, tribal cultural resources, and wildfire. (2021)

Biological Resources Assessment for the Santa Cruz Medical Office Building Project, Santa Cruz, California.

Served as environmental analyst for the biological resources assessment for the Santa Cruz Medical Office Building Project located in Live Oak area of Santa Cruz County. The purpose of the biological resources assessment was to describe the conditions of biological resources within the project site in terms of vegetation communities, plants, wildlife, wildlife habitats, and wetlands; quantify potential direct and indirect impacts to biological resources that would result from the proposed project; discuss those impacts in terms of biological significance in view of federal, state, and local laws and County of Santa Cruz policies; and specify measures to avoid, minimize, and/or mitigate any adverse impacts that would occur to biological resources as a result of project implementation. Tasks included preparing introduction and regulatory settings and summarizing the results of the California red-legged frog (*Rana draytonii*) report, special-status plants and special-status wildlife report, aquatic resources jurisdictional delineation report, and arborist survey.

70-74 Liberty Ship Way Project Initial Study and Negative Declaration, City of Sausalito, California. Served as environmental analyst for the 70-74 Liberty Ship Way Project Initial Study and Negative Declaration. The project includes construction of three two-story buildings with potential uses for dry boat storage, manufacturing, storage/warehouse, repair and maintenance, marine industrial, marine commercial space, restaurant uses, and medical services. The project would also include a parking lot with up to 108 parking spaces and truck loading space.

Bidwell and El Rancho Verde Parks Master Plan Project Initial Study and Mitigated Negative Declaration, Hayward Area Recreation Park District, Alameda County, California. Served as environmental analyst for the Initial Study and Mitigated Negative Declaration for Bidwell and El Rancho Verde Park Master Plan Project, which involves two

parcs at different locations. Bidwell Park, located at a former elementary school in the City of Hayward, would create a new park and repurpose and reconfigure existing facilities to create a community center with event and lawn space, play and picnic areas, multi-use courts, pedestrian paths, and dog parks. El Rancho Verde Park, located in Union City, would reconstruct and reorient existing baseball fields and include a new restroom and concession building.

CZU Complex Fire Hazard Tree Support, Santa Cruz, California. The state of emergency proclaimed by Governor Newsom regarding the 2020 CZU Fire identified Highway 236 as needing to undergo hazard tree removal. Field technician tasks for this project included pedestrian survey of Highway 236 to tag dead, dying, and hazardous trees. The trees were logged with GPS units to identify each marked tree. Tree felling crews were monitored while trees were removed.

Laguna Creek Diversion EIR, City of Santa Cruz, California. Served as environmental analyst for the Laguna Creek Diversion EIR. The proposed project seeks to improve the existing Laguna Creek Diversion Facility to allow for natural sediment transport past the diversion and to protect fish species and habitat. The project would not increase the diversion rates at the Laguna Creek Diversion Facility, and would continue to allow the City of Santa Cruz to operate its diversion while enhancing its ability to meet its instream flow requirements. The project includes a new intake structure and screen, riprap apron, new monitoring and control equipment, modifications to existing intake and sediment control bypass valves, and new access and safety provisions. Tasks included preparing the analysis for potential impacts for land use and planning, and preparing the EIR section for impacts not found to be significant.

State Route 17 Shaded Fuel Break Project, Santa Clara, California. The state of emergency proclaimed by Governor Newsom identified 35 areas most vulnerable to wildfire, including the 6.5-mile stretch of State Route 17 between the Town of Los Gatos and Summit Road. Field technician tasks for this project included pedestrian survey of roads to tag dead, dying, and hazardous trees with a numbered metal tag attached with a nail. The trees were logged with GPS units to identify each marked tree.

Sonoma County CAL FIRE Grant Project, Sonoma County, California. Served as field technician for a Sonoma County California Department of Forestry and Fire Protection (CAL FIRE) Grant Project. The project identified dead, dying, and hazardous trees along Sonoma County roads, up to 30 feet from the edge of the paved road. Tasks included pedestrian survey of roads to tag dead, dying, and hazardous trees with a numbered metal tag attached with a nail. The trees were logged with GPS units to identify each marked tree.

Santa Cruz Water Rights Project EIR, City of Santa Cruz, California. Served as deputy project manager for an EIR for the Santa Cruz Water Rights Project. The purpose of the project is to modify water rights to expand authorized place of uses, better utilize existing diversions, and extend the City of Santa Cruz's timeline to put water to full beneficial use and provide for underground storage to address further constraints on the City of Santa Cruz's limited surface water supply caused by instream flow requirements (Agreed Flows). Agreed Flows have been finalized with the California Department of Wildlife and National Marine Fisheries Service as part of the Habitat Conservation Plan to significantly improve fisheries by addressing habitat needs for all lifecycle phases for coho salmon (*Oncorhynchus kisutch*) and steelhead trout (*Oncorhynchus mykiss*). The project includes both project and program components. Project elements include water right modifications, Agreed Flows, and Beltz Well System Aquifer storage and recovery augmentation. Program elements include water transfers and exchanges with neighboring water agencies, water supply augmentation with other city aquifers and storage and recovery, and surface water improvements at the Felton Diversion and Tait Diversion and Coast Pump Station. Tasks included coordinating with technical staff, invoice reports, and preparing analysis for potential impacts related to recreation and land use.

Kaitlin Roberts, JD

ENVIRONMENTAL PLANNER

Kaitlin Roberts serves as an environmental specialist with 13 years' experience in the preparation of General Plans, Zoning Ordinances, environmental impact reports (EIRs), Initial Studies, Negative Declarations, public notices, and staff reports for a variety of planning projects. Ms. Roberts has also assisted in the preparation of Biological Resource Assessment and wetland delineation reports and federal and state permitting packages.

Ms. Roberts authors EIR chapters and conducts research, site visits, document review, and document tracking for environmental review projects. She is experienced at preparing impact analysis in the areas of biological resources, cultural resources, geology, noise, public services, and public utilities and in preparing responses to comments on draft documents. Ms. Roberts also provides project administration services and assists contract planners in the preparation of staff reports and public notices.

Project Experience

McKinley Villages EIR, Thomas Law Group, Sacramento, California. Authored the Public Services, Public Utilities and Energy, and Cultural Resources EIR chapters for a highly controversial project in the city of Sacramento. The project consists of a 328 residential unit development, a neighborhood recreation center, parks, and associated infrastructure. A controversial issue associated with the provision of public services to the project involved changes to the local school district boundaries.

Roseville Hotel and Conference Center EIR, City of Roseville Planning Department, Placer County, California. Assisted in drafting a detailed Initial Study supporting preparation for a focused EIR, and prepared the Public Utilities EIR chapter for a proposed 250-room hotel and 35,000 square foot conference center proposed be located on an 11-acre site adjacent to Highway 65 in the city of Roseville.

Fitness Center Initial Study and EIR, Life Time Fitness, Roseville, California. Authored the Initial Study and the Noise, Cultural Resources, and Biological Resources EIR chapters for a controversial project proposing to develop a fitness center proposed to be located on approximately 17.4 acres in the city of Roseville. Critical project issues included noise impacts to adjacent neighbors, aesthetics, and transportation and circulation.

Digital Billboard Initial Study, Clear Channel Outdoor, Roseville, California. Authored the Initial Study for a digital billboard proposed in the city of Roseville. The digital billboard would replace an existing, static billboard and be located adjacent to Interstate-80.

Orchard at Penryn California Environmental Quality Act (CEQA), County of Placer, California. Environmental documentation for the proposed development of 150 multifamily residential units on an approximately 15.1-acre property. Responsible for drafting EIR sections on public services, editing EIR chapters on aesthetics, hydrology/water quality, and biological resources to incorporate/respond to administrative County comments, and preparing Responses to Comments.



Education

Lincoln Law School of Sacramento
JD, 2009

California Polytechnic State University, San Luis Obispo
BS, Social Sciences, 2005

Certifications

State Bar of California,
2010

Chicago Park School District CEQA, Chicago Park School District, Nevada County, California. Prepared environmental documentation for expansion of a gymnasium/multiuse facility and addition of four portable classrooms to an elementary school campus in unincorporated Nevada County.

Placer County Animal Shelter Initial Study, Placer County Department of Facility Services, Placer, California. Project manager for a Mitigated Negative Declaration (MND) for construction of a new county animal shelter and associated facilities. The proposed site, currently used by the County Public Works Department for materials storage, is located within the County Government Center campus (DeWitt Center) adjacent to the existing animal shelter. Project issues include noise impacts to neighbors and adjacent County offices and the use of Best Management Practices (BMPs) during construction to protect water quality and air quality.

Zoning Ordinance Amendments, City of Rohnert Park, California. Assisted in drafting text amendments to the City of Rohnert Park's Zoning Ordinance necessary for implementing certain housing programs included in the City's General Plan Housing Element. Assisted in the preparation of staff reports and presentations for Planning Commission and City Council hearings.

General Plan Amendments and Update, City of Rohnert Park, California. Assisted in the preparation of a complete update of the text, tables and graphics of the City of Rohnert Park General Plan. Reviewed amendments to the Plan to ensure that current policy language was included in the final version. Assembled and formatted the final document for printing.

Martis Valley Trail CEQA/National Environmental Policy Act (NEPA), County of Placer, California. Environmental documentation for a 9.5-mile trail through Martis Valley. Responsible for drafting Notice of Preparation and a detailed Initial Study supporting preparation for a focused EIR, and preparation of EIR chapters on aesthetics, biological resources, and recreation.

Water Resource Setback Ordinance, County of Sierra, California. Assisted in drafting ordinance to establish structural and septic system setbacks from water resources including lakes, streams, and wetlands. Assisted in drafting CEQA Initial Study to evaluate environmental effects associated with ordinance implementation.

Matthew Morales

AIR QUALITY SPECIALIST

Matthew Morales is an air quality specialist with 16 years' experience preparing technical analyses for numerous planning and environmental projects related to development, natural resource management, and facility expansion. Mr. Morales is trained in air quality, including toxic air contaminants (TACs) and greenhouse gas (GHG), and he is adept at applying air quality models, such as the California Emissions Estimator Model, Caline4, AERSCREEN, AERMOD, and HARP 2, to perform quantitative analyses for National Environmental Policy Act and California Environmental Quality Act (CEQA) environmental documents, such as environmental impact reports (EIRs), initial studies (ISs), and mitigated negative declarations (MNDs).

Project Experience

Idaho-Maryland Mine Project Air Quality and GHG Technical Report, Nevada County, California. Prepared the air quality and GHG emissions technical report for the project. The project proposes to reinstate underground mining and ore processing of the Idaho-Maryland Mine in unincorporated Nevada County. The proposed facilities and operations would be located on two properties owned by Rise Grass Valley Inc., referred to as the Centennial Industrial Site and the Brunswick Industrial Site. Specific tasks include construction and operational criteria air pollutant and GHG emissions estimates, as well as a health risk assessment to analyze TAC (such as diesel particulate matter) exposure at off-site sensitive receptors.

Station Avenue Project – Central Rohnert Park Priority Development Area Plan EIR Consistency Review, City of Rohnert Park, California. The Station Avenue Project is within the Central Rohnert Park Priority Development Area Plan area. This analysis was prepared to evaluate the consistency of the project with the Priority Development Area EIR. The project would remove the two existing buildings (former State Farm Insurance building and City's Corporation Yard), surface parking lots, trees, and grass areas and would result in the construction of a central business district, urban neighborhood, and new downtown area for the city. As part of the consistency review, an HRA was performed that assessed potential cancer and chronic health risk at existing residences proximate to the site, as well as operational health risk for the new residents associated with exposure to TACs from major roadways and the adjacent Sonoma-Marin Area Rail Transit operations.

Combie Road Corridor Improvement Project Air Quality and GHG Technical Memorandum, Nevada County, California. Prepared a technical memorandum that presents the air quality and GHG impact analysis of the project, pursuant to the Northern Sierra Air Quality Management District guidance. The project includes the improvement and widening of approximately 4,800 feet of Combie Road in Nevada County, California.

Belden Barns Farmstead and Winery EIR, Sonoma County, California. As the air quality analyst, assessed the criteria air pollutant and GHG emissions associated with construction and operation of the project, which includes development of a winemaking, hospitality, and farmstead food production facility.



Education

*University of California,
Davis
BS, Environmental
Toxicology*

Professional Affiliations

*Association of
Environmental
Professionals
Air and Waste
Management Association*

Roberts' Ranch Specific Plan EIR, City of Vacaville, California. As the air quality analyst, assessed the criteria air pollutant emissions associated with construction and operation of the Roberts' Ranch Specific Plan land uses in the City of Vacaville.

Land Park Commercial Center Project EIR, City of Sacramento, California. As the air quality analyst, assessed the criteria air pollutant and GHG emissions associated with construction and operation of the Commercial Center project and alternatives. For GHGs, included a compliance analysis based on the City of Sacramento Climate Action Plan Consistency Review Checklist.

Avram Apartments Air Quality and GHG Technical Memorandum, City of Rohnert Park, California. Served as air quality analyst. Assessed the criteria air pollutant, GHG, and TAC emissions associated with the construction and operation of the Avram Apartments project. A construction health risk assessment was prepared to estimate potential risk of proximate sensitive receptors from exposure to diesel exhaust from construction equipment and trucks. An operational health risk assessment was also prepared to estimate potential risk of on-site residents to diesel particulate matter from truck traffic on Highway 101.

Ponte Palmero Phase 2 Project EIR, El Dorado County, California. Assessed the criteria air pollutant and GHG emissions associated with construction and operation of the project, which includes development of a community care facility, an assisted living facility, and a clubhouse as Phase 2 of the Ponte Palmero retirement village.

Oakmont Senior Assisted Living Facility IS/MND, City of Novato, California. As the air quality analyst, assessed the criteria air pollutant and GHG emissions associated with construction and operation of the proposed assisted living community within the City of Novato.

Clearwater at Sonoma Hills Assisted Living and Memory Care Facility IS/MND, City of Rohnert Park, California. As the air quality analyst, assessed the criteria air pollutant and GHG emissions associated with construction and operation of the project, which includes development of an assisted living and memory care facility within the City of Rohnert Park.

Residences at Five Creek Project IS/MND, City of Rohnert Park, California. As the air quality analyst, assessed the criteria air pollutant, GHG, and TAC emissions associated with the construction and operation of the Residences at Five Creek mixed-use and City public safety and public works facility. A construction health risk assessment was prepared to estimate potential risk of proximate sensitive receptors from exposure to project-related diesel exhaust from construction equipment and trucks. A cumulative operational health risk assessment was also prepared to estimate potential risk of on-site residents to TACs from permitted stationary sources within 1,000 feet of the project site.

Bellevue Ranch 7 Project IS/MND, City of Santa Rosa, California. As the air quality analyst, assessed the criteria air pollutant and GHG emissions associated with construction and operation of the project, which includes development of 30 single-family homes within the City of Santa Rosa.

Creative Arts and Holloway Mixed-Use Project EIR, San Francisco State University, San Francisco, California. The proposed project includes construction of new housing, neighborhood-serving retail, and student support services on the south side of Holloway Avenue, and construction of the Creative Arts replacement building and concert hall on the north side of the Holloway Avenue/Font Boulevard intersection. The project would also include preparation and implementation of design guidelines, transportation and parking improvements, utility connections, storm drainage improvements, landscaping, and lighting. Prepared the air quality and GHG chapters of the EIR for the project.

Ian McIntire

AIR QUALITY SPECIALIST

Ian McIntire is an air quality specialist with 8 years' experience specializing in the preparation of technical documents and analysis through interpretation of state and federal legislation, environmental document preparation and review, criteria pollutant and greenhouse gas emissions (GHG) modeling. Mr. McIntire is trained in air quality, including GHG and climate change. He is adept at applying air quality models, such as the California Emissions Estimator Model (CalEEMod), Caline-4, and AERMOD, to perform quantitative analyses for National Environmental Policy Act (NEPA) and California Environmental Quality Act (CEQA) environmental documents, such as environmental impact reports (EIRs), initial studies (ISs), and mitigated negative declarations (MNDs).



Education

California State University,
Sacramento
BS, Environmental
Studies

Project Experience

Atherton Baptist Continuing Care Facility Expansion Project Technical Report, City of Alhambra, California. The project included demolition of existing continuing care residential facility in the Atherton Master Plan and reconstruction of the existing buildings and expansion of the facility. Demolition included approximately 164,852 square feet of existing residential units, and construction of 313 residential units and an additional 301 parking spaces. As air quality analyst, prepared CEQA air quality and GHG sections and developed innovative mitigation measures.

Napa Logistics Park – Phase 2 EIR, American Canyon, California. The project included development of three warehouse buildings totaling 2,170,640 square feet and 100,000 square feet of office space. As air quality analyst, prepared CEQA Air Quality Technical Study and prepared EIR air quality and GHG sections and developed mitigation measures for the Napa Logistics Project.

Shadelands Gateway Specific Plan and the Orchards at Walnut Creek Project EIR, City of Walnut Creek, California. The project included development of a new Safeway grocery store, retail, restaurant, and a senior housing/continuing care retirement community (CCRC) facility. As air quality analyst, prepared air quality and GHG analyses and developed mitigation measures for both the project and its less intense alternatives.

Xebec Fontana Warehouse Project Technical Report, City of Fontana, California. The project included demolition of a 20,553 square foot building and 3.5 acres of asphalt and development of a new warehouse building totaling 314,250 square feet on approximately 13.71 acres. As air quality analyst, prepared air quality and GHG analyses and help develop mitigation measures for the project.

Vega Solar Project EIR, Merced County, California. Project consisted of developing a 20 megawatt (MW) photovoltaic (PV) solar array on several project sites totaling approximately 165 acres of land. As air quality analyst, prepared CEQA air quality and GHG assessments.

Fresno Downtown Neighborhood Community Plan (DNCP) and Fulton Corridor Specific Plan (FCSP) EIR, City of Fresno, California. The project included the adoption of the DNCP for the residential neighborhoods surrounding Downtown and the FCSP for the core of Downtown, including the Fulton Mall. As air quality analyst, prepared CEQA air

quality and GHG assessments and developed mitigation measures for the DNCP and the FCSP, a planned development of residential, commercial, and community/public facility land uses and supporting infrastructure in Davis, California. The DNCP included 3,697 mixed-density residential, 67 acres of industrial, 46 acres of commercial, and 8 acres of retail uses while the FCSP included 6,293 mixed-density residential, 3 acres of industrial, 90 acres of commercial, and 37 acres of retail uses.

Catalina Fiber Project IS/MND, Catalina Island, California. The project included installation of approximately 12 miles of new fiber optic cable on existing overhead poles and within underground conduit between the City of Avalon and community of Two Harbors. As air quality analyst, prepared CEQA air quality and GHG analyses which included calculating barge emissions generated from delivery of construction equipment and supplies.

La Palma Recharge Basin Project Air Quality and GHG Technical Report, Orange County Water District, California. The proposed project includes the construction and operation of a recharge basin over a 17.7 acre site which added an additional 51,000 acre feet capacity for water recharge into the Orange County Groundwater Basin. As air quality, GHG, and climate change analyst, developed the CEQA analysis of air quality and GHG impacts from construction and operation of the project facilities. Air quality emissions and impacts were based on calculations using the CalEEMod models.

Dennis Pascua

SENIOR TRANSPORTATION PLANNER

Dennis Pascua is a senior transportation planner and Dudek’s transportation services manager with 28 years’ experience in transportation planning/engineering in Southern California. Mr. Pascua has successfully managed a variety of projects for local agencies and private developers, including traffic and circulation impact analyses and parking demand studies in both highly urbanized and rural areas. He is highly experienced with California Environmental Quality Act/National Environmental Policy Act and transportation topics and policies surrounding active transportation, context sensitive solutions, and complete streets throughout California. Mr. Pascua also offers an international perspective, having managed transportation planning projects in the Philippines, Japan, and the United Arab Emirates.



Education

*University of California, Irvine
BA, Social Ecology
(Environmental Analysis and Design)*

Professional Affiliations

*American Planning Association
Association of Environmental Professionals
Institute of Transportation Engineers
Orange County Traffic Engineering Council*

Project Experience

LADWP On-Call Environmental Services, Los Angeles, California. Managed Traffic Impact Analysis (TIAs) for the following projects prepared under an on-call contract with the City of Los Angeles Department of Water and Power (LADWP), the nation’s largest municipal utility: Power Plant 1 and Power Plant 2 Transmission Line Conversion; Tujunga Central Groundwater Station; North Hollywood Groundwater Station; De Soto Avenue Trunk Line Replacement; De Soto Water Tanks; and Van Norman Complex Vegetation and Maintenance Projects. The TIAs prepared, or currently being prepared, involve the analysis of construction-related traffic and potential lane closures on major public thoroughfares. Construction mitigation measures include the preparation of a Construction Traffic Management Plan that includes traffic control plans for roadway construction, and transportation demand management for construction worker traffic. Dudek has also coordinated with the Department of Transportation and Bureau of Engineering on those projects.

Sanborn Solar and Gen-Tie Route Project, Kern County, California. Managed the in-house Transportation team that prepared a TIA that identified potential construction-related traffic impacts associated with a proposed photovoltaic solar facility and associated infrastructure (gen-tie) necessary to generate up to a combined 300 megawatts of renewable electrical energy. The proposed project consisted of two sites: the northern site is approximately 1,118 acres; and, the southern site is approximately 983 acres. The southern site is directly north of Edwards Air Force Base Solar project. The project impacts were evaluated under CEQA and NEPA. The TIA evaluated existing traffic conditions, including roadway segment and intersection levels of service along or in proximity to the gen-tie route options; estimated trip generation and trip characteristics for construction-related activities of the gen-tie options; analyzed the potential for traffic impacts to occur as a result of construction of the gen-tie; described the significance of the potential impacts; and, identified mitigation measures, for construction-related traffic impacts.

LACSD On-Call Environmental Services, Los Angeles County, California. As part of an on-call contract with the Los Angeles County Sanitation Districts (LACSD), Mr. Pascua managed the TIA for the Stormwater Capture System at Puente Hills Material Recovery Facility in County Sanitation District No. 2 to meet the Industrial General Permit's industrial stormwater requirements. The project would primarily involve construction of a proposed basin and supporting conveyance facilities (piping) that would involve grading, excavating, and fencing. The TIA analyzed the potential traffic impacts for the temporary construction phase of the project, which would generate construction-related traffic (due to construction workers, vendor trucks, and haul trucks) to and from the project site.

Gen-Tie Routes for Edwards Air Force Base Solar Enhanced Use Lease Project, Kern County, California. Managed the in-house Transportation team that prepared a traffic impact analysis (TIA) that identified potential construction-related traffic impacts associated with the proposed 230-kilovolt gen-tie route options that would connect the Edwards Air Force Base (EAFB) solar generation site with the existing Westwind Substation in the first phase of the project, and to the Southern California Edison Windhub Substation in subsequent phases of the project. The project impacts were evaluated under CEQA and NEPA. This project is located south of the Sanborn Solar and Gen-Tie project. The TIA evaluated existing traffic conditions, including roadway segment and intersection levels of service along or in proximity to the gen-tie route options; estimated trip generation and trip characteristics for construction-related activities of the gen-tie options; analyzed the potential for traffic impacts to occur as a result of construction of the gen-tie; described the significance of the potential impacts; and, identified mitigation measures, for construction-related traffic impacts.

Marsh Park Access Evaluation and Recommendations, Mountains Recreation and Conservation Authority, Los Angeles, California. Conducted an evaluation of the existing access conditions at the driveways in Marsh Park in the City of Los Angeles. The project was intended to address safety concerns at the park access including obstructed sight distance, failure of vehicles to yield to bicyclists and pedestrians, and lack of visibility for drivers to see when park gates are closed. Provided recommendations to improve safety for park users including placement of stop signs, reflective markers for park gates, and signage to alert drivers to the presence of pedestrians. Recommendations were made consistent with guidance provided in the California Manual of Uniform Traffic Control Devices.

Relevant Previous Experience

- Tres Amigos Solar Project, Merced County, California
- Jensen Solids Handling Facility Canoga Park, Metropolitan Water District, Los Angeles, California
- Warner-Canoga 150-Dwelling Unit Apartment Transportation Demand Management Plan, Warner Center, Los Angeles, California
- North Hollywood High School Renovation, LAUSD, Los Angeles, California
- Rose Hills Courts Rehabilitation, Housing Authority of City of Los Angeles, California
- LA Trade-Technical College Master Plan, Los Angeles Community College District, California
- Grandview Park Expansion, Rancho Palos Verdes, California
- Recology Materials Recovery Facility (MRF) Expansion, Sun Valley, California
- California Department of Transportation SR 126/Commerce Center Drive PR/ED, Newhall Ranch, California.
- Terminal Expansion and Renovation Project EIRs, Port of Los Angeles, California
- Campus Parking Management Plan, County of San Bernardino, California

Charles Greely, PE, LEED AP, QSD

PRINCIPAL ENGINEER

Charles Greely is a civil engineer with 24 years' experience working with public and private entities on infrastructure improvement projects throughout California. Mr. Greely provides a diverse skill set, having provided project management and design services on water resource, wastewater treatment, environmental mitigation and restoration, stormwater management and quality control, transportation, and site development projects. As a Leadership in Energy and Environmental Design Accredited Professional (LEED AP), he specializes in the application of low-impact development techniques for infrastructure improvement projects. Mr. Greely is experienced in federal, state, and regional permits and requirements for construction work within sensitive environmental settings and can therefore successfully bridge the gap between environmental concerns and cost-efficient, field-tested construction solutions.

Project Experience

Poway Pump Station Access Road, Ramona Municipal Water District, Ramona, San Diego County, California. Provided project management and preliminary engineering design services for the preparation of a preliminary design report and initial study California Environmental Quality Act document preparation for the reconstruction and rehabilitation of the Poway Pump Station Access Road through the Blue Sky Reserve. The access road is an approximately 1.5-mile unpaved route adjacent to Sycamore Creek that serves as the sole point of access for the operation, maintenance, and replacement of equipment at the facility. Emergency repairs to the facility following the Witch Creek Fire were significantly delayed due to physical obstruction and erosion of the road from previous storm events. Improvements included the installation of reinforced concrete pipe box culverts to replace damaged and/or silted existing culverts, and the installation of low water crossing structures with integrated box culverts at several locations without existing drainage structures. Road surface remediation measures included the use of interlocking Armorflex pavers to reduce erosion along stretches of the road subject to inundation of floodwaters from the adjacent creek. Project costs and maintenance provisions were also analyzed and included in the final preliminary design report.

Industrial Way Street Improvement and Pavement Rehabilitation, Catholic Diocese of San Bernardino, City of Coachella, California. As part of the as-needed services agreement with the City of Coachella, evaluated the existing condition of Industrial Way between Enterprise Way and Polk Street. The existing pavement was found to be in moderate to poor shape, and a significant portion of the street existed at less-than-ultimate width and without curb and gutter. Based upon these findings, prepared street improvement and pavement rehabilitation plans for the City of Palm Desert that will improve the aesthetic quality of Industrial Way, as well as driver safety and comfort for this stretch.



Education

*University of Washington
BS, Civil Engineering*

Certifications

*Professional Civil
Engineer (PE)
CA No. 69056;
WA No. 40823*

*South Coast Air Quality
Management District
Fugitive Dust Control
Certification,
No. 05-08-3112*

LEED AP

*Qualified SWPPP
Developer (QSD), No.
69056*

Professional Affiliations

*California Water
Environment Association,
State Board of Directors
2013–2019*

West Mission Bay Bridge Traffic Control Plan, Flatiron Construction, City of San Diego, California. Lead engineer for the preparation of alternative staging and traffic control plans for the West Mission Bay Drive Bridge crossing the San Diego River. The alternative staging plan allowed for half of the existing bridge to accommodate two-way traffic during demolition and construction of the west bound lanes of the new bridge. The staging allowed for an accelerated construction schedule, reduced traffic impacts to residents and businesses, and saved the City over \$1,000,000 in cost.

Calle Tampico Street Improvement and Pavement Rehabilitation, City of La Quinta, California. Project manager and lead engineer for design of improvements to reduce nuisance water in Calle Tampico. The design includes a new curb and gutter, spandrels, and cross gutters; new access ramps; and a Maxwell Plus© dry well. The design also included a new sidewalk and access ramp on Eisenhower Drive from Avenida Martinez to Calle Tampico, and design of a new dry well for nuisance water at Avenue 50 and Park Street.

Essential Transportation Infrastructure Phase II, City of Desert Hot Springs, California. Provided civil engineering services for the repair and rehabilitation of several roadways. This fast-track design job depended on partial federal funding by Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users funds, requiring the completion and submittal to Caltrans of 95% complete construction plans within three months of notice to proceed. Key design issues included careful incorporation of existing driveways, mailboxes, water meters, sewer clean-outs, and power poles, as well as compatibility of existing curb and gutters into the new design improvements. Provided the control survey for the photogrammetry work, coordinated the associated geotechnical work for basis of design and repair, and conducted the detailed existing utilities research. The city was provided 30% design concepts for initial review, and 90%, 100%, and final construction drawings according to the city's scheduling. Assisted the city during the bidding process.

Pavement Management Plan Rehabilitation, City of La Quinta, California. Project Manager and lead technical engineer for the rehabilitation of various street segments throughout the City. The project included review of existing City Pavement Management Plan data and condition assessments, field review of paving conditions; coordination and management of a geotechnical evaluation to review existing structural sections and subgrade conditions; and review of ADA improvements (sidewalk and access ramps) in the project corridors. Following the condition assessment, led the design team in the preparation of improvement plans utilizing cold-in-place recycling (CIR) techniques for the majority of the rehabilitation. In addition to the "green" benefits of a recycled product and process, the CIR process saved the City significant time and budget versus traditional grind and overlay methodology.

Jefferson Street Wall and Sidewalk Project, City of La Quinta, California. Project Manager for the design of civil engineering design for sidewalk and grading improvements to the Jefferson Street corridor from Westward Ho Drive to the bridge over the Whitewater Wash. The project required close coordination with the Imperial Irrigation District for the resolution of utility conflicts throughout the proposed alignment. Dudek prepared meandering sidewalk, garden wall, and wrought iron fence improvement plans for the project area. Also included was earthwork analysis to confirm that the site grading balanced (no net import or export) and preparation of project specifications and an engineer's estimate of probably construction costs.

Village Area Sidewalk Improvements, City of La Quinta, California. Project Manager providing civil engineering services for the Village Area Sidewalk Infill Improvements Project. Services included arranging and conducting project meetings; arranging topographic surveys and the project base map; utility location and coordination; preliminary and final design plans and specifications; and associated bidding and construction support services.

Morrison Creek Revitalization Project, Environmental Coalition for Water Justice, Sacramento, California. Technical lead for the planning and preliminary engineering design for the revitalization of Morrison Creek, including naturalization of the existing concrete trapezoidal channel, trail improvements adjacent to the Creek, and pedestrian safety enhancements including traffic signals at arterial street crossings.

Mladen Popovic, AICP

TRANSPORTATION PLANNER

Mladen Popovic is a transportation planner with 6 years' experience focusing on transportation impacts for a wide variety of projects. Mr. Popovic has an educational background in planning and experience working within traffic impact analysis procedures, including vehicle miles traveled analysis, data collection, cumulative project development, trip generation calculations, level of service (LOS) analysis for intersections and roadway segments, signal warrant analysis, construction traffic, internal circulation and access evaluation, and vehicle turning analysis. He has utilized various types of transportation and design software including Synchro, Traffix, AutoTurn, as well as other technical programs, such as ArcGIS and AutoCAD.

Project Experience

Hunter Subdivision Project EIR, City of St. Helena, California. Lead the Traffic Impact Analysis and Transportation Section for the Environmental Impact Report (EIR) for a proposed residential project on an approximately 17-acre parcel located near downtown St. Helena. The project includes 51 single-family homes, 25-multi-family units, and up to 25 accessory dwelling units. The analysis included a detailed weekday, Saturday intersection LOS analysis, vehicle miles traveled analysis, and horizon year analysis. The project is very controversial and the City of St. Helena anticipates a legal challenge to the EIR. It is anticipated the EIR will be released for public review in 2021.

Home2Suites Hotel, City of Rohnert Park, California. Lead analysis which included a proposed Home2Suites Hotel location within a shared commercial corridor. The report focused on the internal site circulation of the hotel, sight distance analysis, and LOS analysis. In-person field visits were vital in cataloging the existing roadway network and intersection conditions and providing an accurate analysis.

Focused Traffic Analysis for the Bellevue Ranch 7 Project, City of Santa Rosa, California. Worked as part of a team to analyze the impacts associated with 30 single-family homes and up to 7 accessory dwelling units in the City of Santa Rosa. Specialized analyses included sight distance analysis, pedestrian, bicycle, and transit accessibility, site circulation, and emergency vehicle analysis. American Association of State Highway and Transportation Officials guidelines were utilized to create AutoTurn turning analysis for the maneuverability of emergency vehicles on site, as well as the stopping distance for the site that fronts a rural two-lane roadway.

Former Dixon High School Modernization, City of Dixon, California. Lead analysis which dictated the re-opening of the former site of Dixon High School into a 750-student middle school. Since the former high school was abandoned, all incoming middle school students in the Dixon Unified School District, as well as the existing middle school, were re-allocated to the project site. This required a detailed analysis of students' trip origin points, key arterial roadways that facilitate vehicular trips within the City of Dixon, as well as an analysis of the railroad tracks that separate the City into two halves. Additionally, vehicular queuing at the 95th percentile, project site access, and pedestrian and bicycle safety were evaluated as part of the traffic impact analysis.



Education

*University of California,
Santa Barbara
BA (with Honors),
Geographic Information
Systems
BA (with Honors),
Environmental Studies
University of California,
Irvine
Masters, Urban and
Regional Planning*

Certifications

AICP No. 31419

Professional Affiliations

*American Planning
Association*

Santa Cruz Water Rights Project EIR, City of Santa Cruz, California. Worked as part of the transportation team on the Santa Cruz Water Rights Project EIR. Components of the project include modifications to existing water rights and related actions required to implement the proposed modifications, including expansion of place of use, clarifications on method and points of diversion and redirection, adding an underground storage supplement, extension of time to put water to full beneficial use, and incorporation of bypass requirements for each water right. The underlying purpose of the project is to improve City of Santa Cruz water system flexibility while enhancing stream flows for local anadromous fisheries. The proposed project also includes water supply augmentation components and surface water diversion improvements that could result after the water rights modifications are approved. Physical infrastructure improvements include aquifer storage and recovery facilities in the Beltz system and potentially elsewhere, intertie facilities to allow for water transfers with neighboring agencies, and improvements to the Tait Diversion/Coast Pump Station and the Felton Diversion.

Warner-Ivy Street Vacation California State University – Chico, City of Chico, California. Technical analysis that evaluated a proposed street closure of Warner Street and Ivy Street, which bisects the campus of California State University, Chico. A detailed origin-destination analysis was conducted to determine the vehicular users affected by the proposed project. Finally, an LOS analysis was conducted and compared to the existing conditions, to determine the impact of the street vacation.

Orange County Sanitation District Facilities Master Plan EIR, Orange County, California. Worked as part of a team on the transportation analysis and reporting for the project's Program EIR for the Sanitation District's 2017 Facilities Master Plan. The analysis covers projects included in a 20-year Capital Improvement Program to ensure that the Orange County Sanitation District could sustain its infrastructure, meet future regulatory requirements, and continue to provide reliable service to the public. The project included facilities at Reclamation Plant No. 1 in Fountain Valley, Treatment Plant No. 2 in Huntington Beach, the sewer collection system, and improvements at various pump stations. All 75 project- and program-level projects were evaluated quantitatively at either a project-level or representative project approach.

Pedestrian Analysis of Path D for CF Equipment, City of Colton, California. As planner, worked on a quantitative and qualitative analysis addressing pedestrian and bicycle issues as part of truck traffic associated with CF Equipment's proposed project in the City of Colton. Nearby conflicts with Woodrow Wilson Elementary School necessitated roadway improvements such as improved school crossing signage, installation and restriping of crosswalk and pavement markings, and warnings for pedestrian and bicyclists. All recommended improvements were according to the California Manual on Uniform Traffic Control Devices. Truck stopping distance, sight distance analysis, vehicle collision analysis, and intersection LOS were all included within the report.

Huntington Park General Plan Update, City of Huntington Park, California. Contributed on the traffic impact analysis for this project that served to analyze the proposed update to the City of Huntington Park's General Plan. The project involved re-analyzing existing conditions and utilizing model data from the Southern California Association of Governments travel demand model for buildout year conditions for seven planning areas that comprised 12 critical intersections. Once model results were post-processed and refined, intersections and roadway segments were distributed accordingly based upon the changes of density of uses proposed within the General Plan Update. Since the City of Huntington Park lies directly adjacent to the City of Los Angeles, regional transit and pedestrian circulation was also analyzed.

Sabita Tewani, AICP

TRANSPORTATION PLANNER

Sabita Tewani is a transportation planner with 12 years' experience in traffic and transportation assessments for due diligence planning. Ms. Tewani is experienced in all phases of transportation impact study analysis, including data collection, trip generation calculations, level of service analysis for freeway and roadway segments and intersections, signal warrant analysis, all-way stop-control warrant analysis, shared parking calculations, and evaluation of internal circulation and access. She has used Synchro, Traffix, and Highway Capacity Software for traffic data and operations analysis. Ms. Tewani is experienced in preparing transportation-related environmental documentation for development and construction projects and vehicle miles traveled (VMT) estimation requirements per Senate Bill (SB) 743 compliance for the updated California Environmental Quality Act (CEQA) Guidelines for transportation impact analyses.

Project Experience

Palm Villas Saratoga Project EIR, City of Santa Clara, California. Managed the transportation subconsultant (Fehr & Peers) for the proposed residential care facility for the elderly. The project consists of two buildings on two adjacent lots that have been designed to function as a single complex. One building would be for individuals with mild stage Alzheimer's/dementia and the second for individuals with advanced stage Alzheimer's/dementia. The proposed project would include a combined total of 78 beds, related support functions, 47 parking spaces, landscaping, utility connections, and an extension of Saratoga Creek Drive to the south by approximately 150 feet (included a bifurcated portion at the end for fire truck turnaround).

Hunter Subdivision VMT Analysis, City of Saint Helena, California. Prepared the VMT analysis for Hunter Subdivision per revised CEQA guidelines for a residential development consisting of 51 single-family dwelling units, 25 workforce income-restricted dwelling units, and 11 accessory dwelling units, for a total of 87 dwelling units, located in the eastern portion of the City of Saint Helena. The VMT analysis involved comparison of home-based VMT per capita estimated using trip generation, trip purpose, and trip length data for the census tract or traffic analysis zone using Location-Based Services provided by StreetLight Data in accordance with Office of Planning and Research (OPR) guidelines. The analysis also used OPR's 2018 Technical Advisory, the Napa Valley Transportation Authority regional travel demand model (Solano-Napa Activity Based Model), and discussions with city staff.

Trip Generation Analysis for 2600 Telegraph Avenue, Holland Acquisition Co., LLC City of Oakland, California. Prepared a Trip Generation Analysis of the mixed-use project proposed at 2600 Telegraph Avenue, located at the southeast corner of Telegraph Avenue and 27th Street in the City of Oakland. The proposed project would demolish the existing 19,600 square-foot single-story commercial building on the site and would construct an eight-story mixed use development comprising of 225 residential units and approximately 6,039 square feet of retail on an approximately 0.91-acre property in the city. The analysis was conducted to determine the trip generation estimates of the proposed project and determine which study components under the City of Oakland's Traffic Impact Review Guidelines are required for the travel and transportation analysis for the CEQA document.

Education

Newcastle University
MSc, Transportation
Engineering and
Operations, 2004
School of Planning and
Architecture, New Delhi
MA, Planning
(Transportation
specialization)
BA, Architecture

Certifications

American Institute of
Certified Planners (AICP)

Professional Affiliations

American Planning
Association

Association of
Environmental
Professionals

Institute of Transportation
Engineers

Institute of Transportation
Engineers

Byron Airport Development Program EIR, Contra Costa County, California. Prepared the transportation section for the EIR, which identifies regulatory requirements, evaluates potential impacts, and identifies mitigation measures related to implementation of the warehousing, industrial, general commercial, and office land uses proposed as part of the Byron Airport Development Project. This section was based on the TIA prepared by Dudek that used VMT for CEQA and the level of service metric for General Plan consistency requirements. To mitigate project's significant VMT impact, prepared a detailed discussion of strategies from Contra Costa County's Transportation Demand Management Ordinance Guide and the California Air Pollution Control Officers Association that would be most effective in areas like the community of Byron and are appropriate for the project to avoid or reduce the significant impact. VMT reductions for each strategy (using the applicable range of effectiveness) were applied to the project per California Air Pollution Control Officers Association's calculations and selected measures were included as mitigation measures to reduce project's VMT impact.

Central Park Buildout, City of Santa Clarita, California. Prepared the Local Transportation Assessment (LTA) to provide an operational analysis (level of service) for the proposed 17-acre expansion of Central Park in the City of Santa Clarita. The traffic analysis documented existing traffic conditions adjusted for pre-COVID 19, including intersection levels of service in the study area; estimated trip generation, distribution, and assignment characteristics for the proposed project; and analyzed the operational effects that would occur as a result of project traffic under the existing and opening year conditions. The environmental document of the project included a VMT analysis of the proposed park expansion using methodology and thresholds identified within the city's Transportation Analysis Updates. The transportation analysis of the project concluded no significant VMT impacts would occur and the project would be consistent with the city's operational criteria and General Plan consistency requirements.

Stetson Corner, City of Hemet, California. Prepared the Transportation Impact Analysis (TIA) and VMT Screening Analysis for the proposed commercial uses on Stetson Corner in the City of Hemet, in Riverside County. The proposed commercial uses include 12-bay gas station with an approximately 3,062-square-foot 7-Eleven, an approximately 2,840-square-foot drive-thru fast food restaurant, and an approximately 3,590 square-foot car wash with 20 self-serve vacuum stations under a 3,096-square-foot canopy. Per the City of Riverside guidelines, a Scoping Agreement for the TIA was submitted to the city for review and approval. The level of service and VMT analyses are consistent with the County of Riverside and Western Riverside Council of Government requirements. The following scenarios were analyzed for potential project traffic effects at the study roadway segments and intersections: existing conditions, opening year (existing + ambient background growth + project), and cumulative conditions (existing + ambient background growth + project + cumulative development). For any project effects found, improvement measures were identified in the study.

Arroyo Seco Canyon Project Areas 2 and 3 EIR, City of Pasadena, California. Worked on the regulatory requirements, environmental impacts, and mitigation measures related to construction activity and water infrastructure facility improvements in Area 2, Diversion and Intake Replacement, and Area 3, Spreading Basin Improvements. The transportation analysis also addressed comments from the California Department of Transportation regarding their request to provide additional transportation impact analysis such as queuing analysis (to identify potential for traffic conflicts) at ramp locations where the project-related construction activities would occur in combination with the ongoing sediment removal activities associated with the Devil's Gate Reservoir Project.

Adam Giacinto

ARCHAEOLOGIST

Adam Giacinto is an archaeologist with 15 years' experience preparing cultural resource reports, site records, and managing archaeological survey, evaluation, and data recovery-level investigations. His research interests include prehistoric hunter-gatherer cultures and contemporary conceptions of heritage. His current research focuses on the social, historical, archaeological, and political mechanisms surrounding heritage values. He has gained practical experience in archaeological and ethnographic field methods while conducting research in the Southwest, Mexico, and Eastern Europe.

Mr. Giacinto brings specialized experience in cultural resources information processing gained while working at the South Coastal Information Center. He has worked as part of a nonprofit collaboration in designing and managing a large-scale, preservation-oriented, standardized database and conducting site and impact predictive Geographic Information Systems (GIS) analysis of the cultural resources landscape surrounding ancient Lake Cahuilla. He provides experience in ethnographic and applied anthropological methods gained in urban and rural settings, both in the United States and internationally.

Project Experience

Park Boulevard Environmental Impact Report (EIR), City of Palo Alto, California.

As principal archaeological investigator, coordinated a Northwest Indian College (NWIC) records search, Native American Heritage Commission (NAHC) and Native American consultation, archaeological survey, and preparation of a technical report and EIR section. An appropriate mitigation strategy was developed and provided to the City of Palo Alto for this negative cultural inventory.

Vacaville Center Campus Project, Solano Community College District, City of

Vacaville, California. As principal archaeological investigator, coordinated a NWIC records search, NAHC and Native American communication, archaeological survey, and preparation of a technical report. Recommendations were framed in compliance with California Environmental Quality Act (CEQA) regulations and submitted to the lead agency.

Makani Power Wind Turbine Pilot Program, Google Inc., Alameda, California. As principal investigator, coordinated a NWIC records search, NAHC and Native American consultation, archaeological survey, and preparation of a negative technical memo a for this potential wind farm. The mitigation strategy did not require additional archaeological monitoring or other work based on the lack of archaeological sites, and the low potential for encountering unrecorded subsurface cultural resources. Recommendations were submitted as a categorical exemption to the reviewing agency.

Yokohl Ranch Cultural Resources, The Yokohl Ranch Company LLC, Tulare, California. As co-principal investigator and field director, managed 15 archaeologists in conducting 1,900 acres of survey throughout the Yokohl Valley.



Education

*San Diego State University
MA, Anthropology*

*Sonoma State University
BA, Anthropology/
Linguistics*

*Santa Rosa Junior College
AA, Anthropology*

Professional Affiliations

*Register of Professional
Archaeologists*

*Society for California
Archaeology*

*American Anthropological
Association*

*Institute of
Archaeomythology*

*American Anthropological
Association*

Hamilton Hospital Project, City of Novato, California. As principal investigator, managed tribal and archaeological fieldwork and methodological reporting relating to the extended Phase I inventory geoprobe drilling and shovel test pit excavation. Considerations included compliance under CEQA and local regulations.

Maidu Bike Path and Park Projects, City of Auburn, California. As principal investigator, managed the survey, archival searches, tribal correspondence, and reported management recommendations for a cultural resources inventory. Considerations included compliance under CEQA and Section 106 of the NHPA.

Stepphollow Creek and Bear River Restoration, Nevada County, California. As principal investigator, assisted with management of field efforts and preparation of a technical report for a cultural inventory. Resources were evaluated for significance under CEQA, and Section 106 of the NHPA.

As Needed Planning and Environmental Contract, Recycled Wastewater Treatment Plant Secondary Process Upgrade Improvement Project, City of Auburn, California. As principal investigator, managed the survey, archival searches, tribal correspondence, and reported management recommendations for a cultural resources inventory. Considerations included compliance under CEQA and Section 106 of the NHPA.

Recycled Water Pipeline Project, City of Woodland, California. As principal investigator, managed the survey, archival searches, tribal correspondence, and reported management recommendations for a cultural resources inventory. Considerations included compliance under CEQA and Section 106 of the NHPA.

Hanson El Monte Pond Restoration, Lakeside's River Park Conservancy, San Diego, California. As principal investigator, managed the field efforts, reporting, and agency interface for a cultural inventory. Resources were evaluated for significance under county guidelines, CEQA, and Section 106 of the NHPA. Worked with the ACOE for submittal of documents to State Historic Preservation Office (SHPO).

Lake Cahuilla Management Plan, ASM PARC, Riverside County, California. As project archaeologist and lead analyst, led in the formation of a standardized database associated with ancient Lake Cahuilla. Performed GIS data integration and predictive analysis, data entry of site record information, and completed multi-day, multi-person record search for Riverside County.

South Palm Canyon West Fork Flood Emergency Work, Agua Caliente Band of Cahuilla Indians, Palm Springs, California. As principal investigator, worked with the Agua Caliente Band of Cahuilla Indians Tribal Historic Preservation Office to conduct archaeological monitoring on tribal lands of emergency repairs within Andreas Canyon National Register of Historic Places listed district. A monitoring report with a summary of findings and implemented mitigation activities, daily monitoring logs and photos, and confidential figures was provided to the tribe.

South Palm Canyon Improvements, Agua Caliente Band of Cahuilla Indians, Palm Springs, California. As principal investigator, worked with the Agua Caliente Band of Cahuilla Indians Tribal Historic Preservation Office to conduct archaeological monitoring on tribal lands of facility improvements within Andreas Canyon National Register of Historic Places listed district. A monitoring report with a summary of findings and implemented mitigation activities, daily monitoring logs and photos, and confidential figures was provided to the tribe.

Shu'luuk Wind Project Cultural Resource Study Survey, Campo Environmental Protection Agency and Invenergy LLC, Campo Indian Reservation, California. As field director, managed two teams of archaeologists, consisting of seven total practitioners, in conducting a survey of the 2,400-acre study area in a general inventory of potentially impacted cultural resources. Worked with Campo Environmental Protection Agency, of the Campo Kumeyaay Nation, in forming management objectives and integrating six Native American Monitors into daily survey activities.

Ross Owen, MA, RPA

ARCHAEOLOGIST

Ross Owen is an Archaeologist with 8 years' experience conducting Phase I and II archaeological surveys. Working on identification-level surveys Mr. Owen has acclimated to working on a diverse range of site types and landforms which has contributed to his knowledge of material culture, site formation processes, and soil development, primarily in the mid-Atlantic region, California, and Nevada.

In his role as a field/lab technician and as a field director, Mr. Owen has been involved in all stages of completing Phase I and II surveys and evaluation for compliance with Section 106 of the NHPA as well as CEQA. He also carries experience in records searches and archival work, tribal consultation, data management, field excavation, and laboratory processing. Outside of work he has sought out opportunities to present research in academic settings, speak with the public about archaeology to better communicate archaeological significance to the public.

Project Experience

Worldview SpaceX Class III Cultural resource Inventory, Nye County, Nevada. Prepared and reviewed BLM submission packet containing final drafts of report and BLM-required digital data. Submitted to Nevada BLM Tonopah Field Office.

J. Chen Stone Ave Tech Studies 4050 Grange Road, Sonoma County, California. Conducted in-person records search and review at the Northwest Information Center and compiled results in report. Pedestrian archaeological survey of project area. Preparation of report documenting negative findings. Tribal correspondence soliciting information on known resources within project area and project-related concerns.

Martis Valley Trail Segment 3F, Placer County, California. Conducted in-person records search and review at the North Central Information Center and compiled results in report. Pedestrian archaeological survey of project area. Preparation of report documenting negative findings. Tribal correspondence soliciting information on known resources within project area and project-related concerns.

Cloverdale Unified School District Project, Sonoma County, California. Conducted archaeological survey and reporting for proposed athletic facilities for the Cloverdale Unified School District. Tribal correspondence soliciting information on known resources within project area and project-related concerns.

California State University – Chico Master Plan EIR, Butte County, California. Conducted archaeological survey and reporting of survey results. Assisted in compilation of archaeological report for Master Plan EIR document.

Woodland Community College Performing Arts and Culinary Services Facility Project, Yolo County, California. Conducted archaeological survey and reporting for a proposed university facilities expansion in Yolo County.

Education

*Indiana University of Pennsylvania
MA, Applied Archaeology
Boston University
BA, Archaeology*

Certifications

*Register of Professional Archaeologists (RPA),
No. 18014*

Professional Affiliations

Society for American Archaeology

Nevada Street Phase II, City of Auburn, Placer County, California. Performed archaeological monitoring of intersection realignment and utility work along Nevada Street in Auburn, California. Reported monitoring actions and results to City of Auburn and NexGen.

SOMO Village Project, City of Rohnert Park, Sonoma County, California. Prepared Phase I archaeological letter report.

Dowdell Industrial Park, City of Rohnert Park, Sonoma County, California. Conducted records search review and integrated results into report meeting United States Army Corps of Engineers standards for Section 106 and CEQA compliance.

Robinson Mine Conditional Use Permit Modification, Placer County, California. Conducted in-person records search and review at the North Central Information Center and compiled results in report. Pedestrian archaeological survey of project area.

Martis Wildlife Area Restoration Project, Placer County, California. Performed demarcation of Environmentally Sensitive Areas (ESAs) in advance of construction association with wetland restoration efforts for the U.S. Army Corps of Engineers, Sacramento District and Truckee River Watershed Council. Archaeological monitoring during construction. Fieldwork to prepare a Performance Work Statement (PWS) for the Army Corps of Engineers to assess impacts to CA-PLA-5. Preparation of reports documenting monitoring and PWS efforts and results.

Ebbetts Pass Reach 1 Water Transmission Pipeline Capital Improvement Project, Calaveras County, California. Performed archaeological monitoring during construction of waterline by Calaveras County Water District. Conducted an evaluation for eligibility for the National Register of Historic Places for an unanticipated discovery found during construction. Prepared DPR site form and report documenting the site and site evaluation efforts. Consultation with the Calaveras Band of Mi-Wuk Indians and Caltrans District 10 throughout monitoring and site evaluation efforts.

El Dorado Irrigation District Pacific Tunnel Rehabilitation, El Dorado County, California. Conducted in-person records search and review at the North Central Information Center and compiled results in report. Pedestrian archaeological survey of project area. Preparation of report documenting negative findings, and DPR update to portion of the Mormon-Carson Emigrant Trail re-located but not impacted by project design. Tribal correspondence soliciting information on known resources within project area and project-related concerns.

Fish Springs Ranch Solar Energy Center Project, Washoe County, Nevada. Performed survey and recordation of archaeological sites. Attribute analysis in field of prehistoric and historic resources. Conducted records search review and compilation for report. Reporting of field survey results for Nevada Bureau of Land Management, and preparation of Intermountain Antiquities Computer System (IMACS) forms documenting new sites and updates to previously recorded sites. Guided field view of resources recorded on private lands with Next Era and Pyramid Lake Paiute Tribal Historic Preservation Officer.

Round Mountain Area Project – Table Mountain Site, Butte County, California. Conducted archaeological survey and reporting for a proposed power generation facility in Butte County.

Heartland Solar Development Project, Fresno County, California. Led crew for survey of 2,000+ acre archaeological survey of a proposed solar energy project.

Gonzaga Wind Repowering Project, Merced County, California. Performed archaeological survey for California Department of Parks and Recreation Four Rivers District proposed wind farm, associated access roads and transmission lines.

Kathryn Haley, MA

HISTORIC BUILT ENVIRONMENT LEAD

Kathryn Haley is a historic built environment resource specialist/architectural historian with 18 years' professional experience in historic/cultural resource management. Ms. Haley has worked on a wide variety of projects involving historic research, field inventory, and site assessment conducted for compliance with Section 106 of the National Historic Preservation Act (NHPA), National Environmental Policy Act (NEPA), and California Environmental Quality Act (CEQA). Ms. Haley specializes in the California Register of Historical Resources (CRHR); the National Register of Historic Places (NRHP); and evaluations of built environment resources, including water management structures (levees, canals, dams, and ditches), buildings (residential, industrial, and commercial), and linear resources (railroad alignments, roads, and bridges). She specializes in managing large-scale surveys of built environment resources, including historic district evaluations.

She meets the Secretary of the Interior's Professional Qualification Standards for historian and architectural historian. Ms. Haley has also assisted in preparation of Historic Properties Inspection Reports (condition assessments) under the direction of the Naval Facilities Engineering Command (NAVFAC) in accordance with Section 106 and Section 110 of the NHPA. Moreover, Ms. Haley has served as project manager, coordinator, historian, and researcher for a wide variety of projects. She is also experienced in the preparation of Historic American Building Survey (HABS), Historic American Engineering Record (HAER), and Historic American Landscape Survey (HALS) documents, as well as the preparation for National Register nominations.

Project Experience

Bidwell and El Rancho Verde Parks Master Plan, Cities of Hayward and Union City, Alameda County, California.

Dudek was retained to prepare a cultural resources technical report for the Bidwell and El Rancho Verde Parks Master Plan project located in Alameda County. Co-authored the cultural resources technical report and provided QA/QC. Preparation of the technical report entailed archival building development research in local repositories and the composition of an appropriate historic context focused on the history of Hayward and the development of Post-war residential communities in the Bay Area, exterior survey fieldwork of the resources, and historical significance evaluations for the resources in consideration of NRHP, CRHP, and local designation requirements.

The Keiser Avenue Reconstruction Project, City of Rohnert Park, Sonoma County, California. The City of Rohnert Park retained Dudek to prepare an HRER for the proposed Keiser Avenue Reconstruction project, which proposed the demolition of a residential property within the project area limits, located at 5040 Snyder Lane. Served as lead architectural historian for the project and co-authored the HRER. Preparation of the report entailed extensive archival research; the composition of an appropriate historic context focused on the history of Rohnert Park; evaluation of the built features of the property within the framework of NRHP, CRHP, and local designation requirements; and the preparation of accompanying Department of Parks and Recreation (DPR) 523 forms.



Education

*California State University,
Sacramento
MA, Public History
BA, History*

Professional Affiliations

*California Council for the
Promotion of History
(former Treasurer)
California Preservation
Foundation*

Mitigation Implementation for 3093 Broadway (HABS and Interpretative Signage), The Martin Group, City of Oakland, Alameda County, California. Dudek was retained by The Martin Group to prepare documentation required under CEQA for the 3093 Broadway Project, which resulted in a significant impact of a CEQA historical resource. Preparation of local-level HABS documentation of the Connell Motor Company Building in Oakland, California and interpretative signage were included as mitigation requirements outlined in the EIR for this project. In coordination with the City of Oakland, Dudek assisted The Martin Group in implementation of the required mitigation. Dudek prepared the HABS documentation and created the interpretive signage for the building that documented the history of the Connell Motor Company building following its demolition in 2016 and integration of the showroom façade into the new complex located at the site completed in 2019. Tasks involved in completing this work included intensive research related to the Connell Motor Company building, writing the HABS report, and the compilation of all known existing physical evidence related to the building. Additionally, the information compiled as part of the HABS documentation was used to produce the text and graphics for the interpretative signage in the form of an informational plaque documenting the historic significance of the Connell Building that is now featured at the new complex. Provided senior-level technical support and QA/QC.

University of California Berkeley, Clark Kerr Campus Beach Volleyball Complex EIR, University of California Berkeley, Alameda County, California. Dudek is in the process of assisting the University of California Berkeley (UC Berkeley) with an EIR for the Clark Kerr Campus (CKC) Beach Volleyball Complex Project, which is located within NRHP District No. 82000962 *State Asylum for the Deaf, Dumb, and Blind* (also known as *California Schools for the Deaf and Blind*) (historic district). The historic district is also considered a City of Berkeley Landmark. UC Berkeley is proposing to partially demolish CKC Building 21/NRHP California Schools for the Deaf and Blind Building B-11, which is a contributing building to the historic district. The partial demolition of CKC Building 21 is being pursued due to the seismic safety risk posed by the building pursuant to the University of California's Seismic Safety Policy, as well as certain obligations under the CKC Covenants, which limit the ability of the campus to construct new buildings on the CKC. This subject building has been vacant since at least the late 1970s. To comply with Public Resources Code (PRC) Section 5024(b), regarding state-owned historical resources, UC Berkeley must consult with the State Historic Preservation Officer (SHPO) on the project. Is serving as lead architectural historian on the project, assisting UC Berkeley with SHPO correspondence and preparing the technical finding of effect/Secretary of the Interior's Standards (SOIS) analysis for the project. Will work with UC Berkeley on mitigation development if necessary.

1624 Mission Street, SOIS Compliance Analysis, City and County of Santa Cruz, California. Dudek was retained to review the proposed project to rehabilitate the locally listed historic resource located at 1624 Mission Street in the City of Santa Cruz, California. The City of Santa Cruz required that a qualified architectural historian assess the proposed project, which involved the replacement of the wooden storefront window wall and full-light metal door, the concrete entry slab, wall and stairs, and the addition of a new front railing for conformance with SOIS for the Treatment of Historic Properties, specifically, the Standards for Rehabilitation. Project work entailed consultation to design a suitable replacement storefront after structural failure caused by a storm. Dudek also drafted the memorandum providing an analysis of how the project conforms to SOIS. Provided senior level technical support and QA/QC.

On-Call Services for Department of Water Resources, Operations and Maintenance Division, State of California. Dudek was retained by the State of California's Department of Water Resources (DWR), Operations and Maintenance Division (O&M), to assist in a wide range of on-going environmental compliance efforts. Under this on-call contract, serves as project manager for a task order focused on assisting DWR in efforts to streamline cultural resources environmental documentation for O&M projects. Dudek is also preparing built environment technical reports for several projects under this contract. Led the creation of a standardized historic context statement for State Water Project (SWP), as well as Historical Resources Technical Reports for various SWP maintenance projects. Technical reports have been prepared for O&M projects at the following sites: Dyer Dam and Reservoir, Patterson Dam and Reservoir, Clifton Court Forebay, California Aqueduct Milepost 230.

Kate Kaiser, MSHP

ARCHITECTURAL HISTORIAN

Kate Kaiser is an architectural historian with 9 years' professional experience as a cultural resource manager specializing in California Environmental Quality Act (CEQA) compliance, National Historic Preservation Act (NHPA) Section 106 compliance, Historic Resource Evaluation Reports (HRER), Historical Resource Inventories (HRI), Cultural Resource Technical Reports (CRTR) and EIR chapters, reconnaissance and intensive level surveys, archival research, cultural landscapes, and GIS. In addition, Ms. Kaiser has worked as an archaeological technician for the National Park Service and USDA Forest Service. She has worked with federal, private, and local organizations to manage multidisciplinary transportation projects, park-wide inventories, and federal land management projects. Ms. Kaiser meets the Secretary of the Interior's Professional Qualification Standards for both architectural history and archaeology.

Project Experience

Gilroy Citywide Historic Resource Inventory, City of Gilroy, Santa Clara County, California. Gilroy Citywide Historic Resource Inventory, City of Gilroy, Santa Clara County, California. Dudek is currently completing a citywide historic context statement and historic resources inventory update of the City of Gilroy's outdated 1986 historic resource inventory. For this project, Dudek hosted a public kickoff meeting/outreach session that was well received by the community, successfully completed reconnaissance-level survey of over 3,000 properties on time and within budget and completed a draft citywide historic context statement. Dudek also prepared a Public Guide to Preservation that provides an overview of the City of Gilroy's existing policies, what it means to live in a designated property/a district contributor, answers to commonly asked questions concerning restrictions on alterations, and clarification of common misconceptions about property owner requirements. For the purposes of this project, Dudek developed highly detailed and efficient iPad field forms that allow surveyors to record a property in less than 5 minutes and provide the city with real-time survey data. Over the course of this multi-year project, Ms. Kaiser served as architectural historian and co-author for the citywide historic context statement and individual historic district nomination forms, including the updated Monterrey Street Historic District. Additionally, Ms. Kaiser created building records and State of California Department of Parks and Recreation Series 523 forms (DPR forms) for thousands of surveyed properties. Ms. Kaiser assisted in the creation, editing, and data management of the DPR forms produced for each of the surveyed buildings as well as preparing supporting paperwork for proposed historic districts.

On-Call Services for Department of Water Resources, State of California. Dudek was retained by the State of California's Department of Water Resources to prepare a historic context statement for historic-aged infrastructure related to the State Water Project (SWP). Over the course of this multi-year project, Dudek provides technical assistance creating historical context statements and significance evaluations for state-owned water infrastructure. As architectural historian, Ms. Kaiser has authored historical built environment evaluation reports



Education

University of Oregon
MS Historic Preservation
Boston University
BA Archaeology

Professional Affiliations

National Trust for Historic Preservation
Association for Preservation Technology – Southwest
California Preservation Foundation
Vernacular Architecture Forum
Society for California Archaeology

for: Dyer Dam and Reservoir, Patterson Dam and Reservoir, Clifton Court Forebay, California Aqueduct Milepost 230, San Luis Field Division Operations & Maintenance Center, Dos Amigos Pumping Plant, and Coalinga Operations & Maintenance Subcenter. Ms. Kaiser also provides technical expertise and peer review for historical built environment evaluation reports authored by subconsultants.

Historic American Building Survey Written Documentation for Pomona City Stable, City of Pomona, Los Angeles County, California. Dudek was retained by the City of Pomona to complete Historic American Building Survey (HABS) level documentation of the Pomona City Stable, which was damaged and partially collapsed in 2017. Ms. Kaiser served as architectural historian and author of the HABS documentation for the Pomona City Stables Building, constructed in 1909. Ms. Kaiser also coordinated fieldwork, field photography, and building recordation, outreach to archives, libraries, and historical societies, and HABS documentation product packaging for the City of Pomona.

Cultural Resources Technical Report for Oakmont Mission and Ramona Industrial Park Project. Mission and Ramona Industrial Owner, L.P., City of Montclair, San Bernardino County, California. Dudek was retained by the Mission and Ramona Industrial Owner, L.P. to prepare a cultural resources technical report for the proposed Oakmont Mission and Ramona Industrial Park Project in Montclair. The report included conducting a CHRIS record search, reconnaissance level fieldwork, archival research, historical context development, auto-related business property type writeup, developing building descriptions, and significance evaluations for the Mission Tiki Drive-In Theater and Swap Meet property as well as two auto-related service properties. As co-author, Ms. Kaiser prepared the historic built environment report components, conducted fieldwork and archival research, wrote the historical context, and prepared the property evaluations for this report.

Historic Context Statement for Reservoirs, City of San Diego Public Utilities Department, San Diego County, California. Dudek was retained by the City of San Diego Public Utility Department to complete a survey and historic context statement for the city's surface water storage system, including 10 dam complexes and the Dulzura Conduit. Ms. Kaiser served as architectural historian, author of the historic context statement, and co-author of individual historic resource reports for the 10 reservoir complexes that contribute to a historic district. Dudek also prepared detailed impacts assessments for proposed modification to dams, as required by the Division of Safety of Dams. The project involved evaluation of 10 dam complexes and conduit for historical significance in consideration of National Register of Historic Places (NRHP), California Register of Historic Resources (CRHR), and city designation criteria and integrity requirements, and required extensive archival research and pedestrian survey.

Historical Resource Evaluation Report for the Stanley Mosk Courthouse, Judicial Council of California, Los Angeles, Los Angeles County, California. Dudek was retained by the Judicial Council of California to prepare an evaluation of the Stanley Mosk Los Angeles County Courthouse building, located at 111 N. Hill Street in Los Angeles, California. To comply with California Public Resources Code, Section 5024(b), the Judicial Council of California must submit to the State Historic Preservation Officer an inventory of all structures over 50 years of age under the Judicial Council of California's jurisdiction that are listed in or that may be eligible for inclusion in the NRHP or that are registered or that may be eligible for registration as a California Historical Landmark. Ms. Kaiser served as architectural historian and author of the historical resource evaluation report. Preparation of the report involved extensive archival research, interior and exterior survey fieldwork, historic context development, material descriptions, historical significance evaluations, and DPR forms for the Stanley Mosk Courthouse. The Stanley Mosk Courthouse was found eligible for designation for the NRHP, California Historical Landmark, CRHR, and Los Angeles Historic Cultural Monument list under Criterion A/1 and C/3.

Michael Carr, INCE

SENIOR ACOUSTICIAN

Michael Carr is an acoustician with 23 years' experience in acoustics and related industries, with an emphasis on environmental acoustics, noise and vibration. Mr. Carr is a member of the Institute of Noise Control Engineering (INCE) and an expert in acoustics, noise and vibration control, sound insulation and electro-acoustics. His broad range of experience and technical depth encompass a number of markets including structural and building acoustics, residential, commercial, recreational, transportation, environmental noise and vibration control. In the area of transportation noise and vibration, Mr. Carr has expertise in measurement, prediction and assessment of noise and vibration associated with aviation, vehicular and rail/transit-based transportation modes.

Mr. Carr has managed, supervised and performed acoustic, noise and vibration analyses for both private and public sectors including federal, state, regional and local agencies; preparing technical studies, environmental assessments, and documentation in support of CEQA and NEPA. He has authored, and become expertly skilled with proprietary modeling programs, SoundPLAN, Cadna|A, Insul, and the Environmental Noise Model; along with many agency developed noise models such as the Federal Aviation Administration's Integrated Noise Model (INM), Federal Highway Administration based software such as Sound 32, the Roadway Construction Noise Model (RCNM), and the Traffic Noise Model (TNM), along with many others.

Education

Sierra College
AS, Electronic Technology
AS, Computer Technology
Certificate in Mechatronic
Systems, 2005

Certifications

AVIXA Certified
Technology Specialist
(CTS)

Professional Affiliations

Acoustical Society of
America
Association of
Environmental
Professionals
AVIXA
INCE

Relevant Previous Experience

3702 Bascom Avenue – Peer Review, San Jose, California. Perform a Peer Review and independent analysis of a proposed gas station redevelopment project in the City of San Jose. Conduct updated existing ambient noise monitoring in the vicinity of the proposed project site. Prepare predicted future traffic and project noise exposure evaluations at nearby noise-sensitive receptors.

Auburn Trap Shooting Club – Shot Shield Reflection Analysis, Placer County, California. Evaluate community noise levels resulting from the recreational trapshooting activities at the Auburn Trapshooting Club. Determine the impact that the recently installed "Shot-Shield" lead containment curtain has had on noise levels in the surrounding community. Developed and executed a noise-monitoring program to determine source noise levels in a controlled and systematic manner. Developed a 3D computer noise simulation model to evaluate the effects of further treatment and mitigation options.

1201 Harrison Street Compliance, San Francisco, California. Perform compliance noise monitoring for an existing car wash location in the City of San Francisco. Develop and evaluate potential mitigation and treatment options to achieve compliance with City Code. Quantify noise levels from equipment that is representative of various treatments and configurations. Perform additional compliance monitoring following the implementation of the recommended treatment options.

Morris Dill Pickle Ball Courts, City of Pacific Grove, California. Perform in-depth monitoring of the ambient noise environment in the community Morris Dill Courts and characterization of source-noise levels generated by the pickle ball activities at the courts. Develop a 3D computer model to evaluate the effectiveness of a proposed barrier surrounding the pickle ball courts.

Proposed Redwood City Hotel – 690 Veterans Blvd, Redwood City, California. Prepare a site-specific environmental acoustic analysis for a proposed hotel site, adjacent to existing residential, institutional and religious land uses.

4265 Foothill Blvd – Gas Station and Car Wash, Oakland, California. Evaluated potential environmental noise impacts associated with a proposed gas station and car wash redevelopment application. Existing ambient noise levels in the surrounding community were established. Proposed project noise levels were evaluated against applicable City standards.

Amakara Dublin, Dublin, California. Developed conceptual and program level acoustical, audio and visual design improvements based on an evaluation of the existing building shell and input from key stakeholders. Characterize traffic noise level exposure at the proposed outdoor dining area. Prepare an environmental noise memo in regards to the potential noise associated with the outdoor dining area and the potential impact on residential units above.

Southport Levee Improvement Program, West Sacramento, California. Develop and implement a construction vibration-monitoring program for the levee improvement project. Conduct pre- and post-construction structural inspections at more than 50 structures in close proximity to vibration generating construction activities. Install, monitor and maintain 24-hour remote vibration monitoring stations throughout the project area.

1300 Sunnyvale Saratoga Rd – Gas Station and Car Wash, Sunnyvale, California. Evaluated potential environmental noise impacts associated with a proposed gas station and car wash redevelopment application. Existing ambient noise levels in the surrounding community were established. Proposed project noise levels were evaluated against applicable City standards.

679 Hickey Blvd – Gas Station and Car Wash, Pacifica, California. Evaluated potential environmental noise impacts associated with a proposed gas station and car wash. Existing ambient noise levels in the surrounding community were established. Proposed project noise levels were evaluated against applicable City standards.

Light Rail Efficiency Improvement Project – Phase 2, Mountain View, California. Performed post-construction monitoring of the completed Phase 2 portion of the project. Addressed issues from a concerned public base with perceived elevated noise levels due to the project.

State Route 85 Noise Reduction Feasibility Study, Santa Clara County, California. Developed an assessment methodology to determine if feasible and reasonable measures exist within today's highway noise mitigation technology, to reduce the impact of SR 85 traffic noise at nearby receptors. Collaborated with local and regional stakeholder agencies as well as Caltrans and the FHWA. Modeled noise level reductions at pilot locations along nearly 20-miles of SR 85.

Shadelands Gateway Specific Plan, Walnut Creek, California. Analyzed community noise impacts associated with the implementation of the Shadelands Gateway specific plan, development of the Orchards at Gateway commercial retail development and the Shadelands Drive senior housing facility. Authored the EIR noise section.

Warm Springs/South Fremont Community Plan, Fremont, California. Analyzed community noise impacts associated with the implementation of the Warm Springs Community Plan. Authored the noise section for inclusion in the EIR.

Scott Eckardt, RPF

SENIOR ARBORIST, LICENSED FORESTER

Scott Eckardt is a project manager and licensed forester with 23 years' professional experience in the natural resource management field, specializing in forest resource and fire management issues in open-space and wildland-urban interface (WUI) areas throughout California. Mr. Eckardt's project experience includes assessment and inventory of woodlands and forests; monitoring of woodland and forest resources on development sites; assessment of fire and fuel hazard conditions; WUI inspections for local fire departments; preparation of fire protection plans (FPPs) and community wildfire protection plans (CWPPs); GPS mapping; environmental monitoring; and preparation of assessment reports, oak woodland management, preservation plans, and California Environmental Quality Act (CEQA) technical documents. In addition, he routinely utilizes geographic information system (GIS) data and aerial imagery in mapping, analysis of resource data, preparation of project plans, conducting project impact analyses, evaluating mitigation opportunities, and modeling fire behavior and wildfire hazard conditions. Mr. Eckardt previously worked for the California Department of Forestry and Fire Protection (CAL FIRE) in South Lake Tahoe, where he conducted fuel reduction, vegetation thinning, and forest rehabilitation projects.

Project Experience

Forest Health Plan for Mt. Madonna County Park, Santa Clara County Parks, Santa Clara County, California. Served as the lead forester and project manager and developed a forest health plan for the 4,600-acre Mt. Madonna County Park. Santa Clara County Parks engaged Dudek to develop a plan to proactively address management of forest threats (pests, diseases, fire hazard) to maintain high recreational value in the Park. The Park is in the southern Santa Cruz Mountains and is characterized by varied terrain redwood forests and oak woodlands, and includes numerous recreational amenities (campsites, trails, picnic areas). The Park is used by the public year-round. Development of the plan and associated CEQA document was completed in 2018.

Community Forest Management Plan, City of San Jose, California. Currently managing development of the San Jose Community Forest Management Plan driven by meaningful community engagement and technical expertise. Project tasks include analyzing the existing tree canopy cover using remotely-sensed data sets; conducting interviews with city staff, elected officials, and stakeholders; creating a project webpage and outreach video; conducting a strengths, weaknesses, opportunities, and threats analysis of current management practices; determining the condition of the city's urban forest; educating; and developing achievable short-and long-term goals. The resulting Community Forest Management Plan (CFMP) will clearly and concisely present the complexities of urban forest management with accompanying easy-to-interpret graphics so that the document is understandable to seasoned urban foresters as well as the public.



Education

*California State University, Long Beach
MA, Geography
California Polytechnic State University, San Luis Obispo
BS, Forestry and Natural Resources Management*

Certifications

*Registered Professional Forester (RPF), No. 2835
Certified Arborist, No. WE-5914A
Association for Fire Ecology Certified Wildland Fire Professional*

Professional Affiliations

*International Society of Arboriculture (ISA)
Association for Fire Ecology*

General Plan Biological Resource Policy Update, County of El Dorado, California. Served as the lead forester on Dudek's team that was selected to update the County's Oak Resources Management Plan (ORMP) and portions of the Biological Resource Policy language for the County of El Dorado's General Plan, which includes policies that outline native oak woodland and oak tree impact and mitigation requirements. The project involved coordination with County staff and the Board of Supervisors on policy development and incorporated public and stakeholder comments. Lead author of the County's ORMP, drafted policy language and provided technical arboricultural and forestry expertise to the oak tree and oak woodland policy components. Supported preparation of the project's Environmental Impact Report (EIR).

On-Call Consulting Arborist Services, City of Sacramento, California. Served as project manager for on-call arboricultural consulting services. Dudek prepared a summary report and developed management recommendations for City of Sacramento-managed trees in the North Natomas area. This task involved extensive field work evaluating 79 landscape areas (including approximately 4,000 trees) to document and map tree and landscape area conditions that were causing, or had the potential to cause, damage to adjacent hardscape, sound walls, or other landscape infrastructure. Dudek also assessed more than 2,800 individual park trees using a modified risk evaluation procedure. Risk assessments identified tree defects, the likelihood of failure, the target potential, and management actions recommended to eliminate or reduce risk. Dudek accessed the City of Sacramento's GIS-based tree inventory and delivered a database for prioritizing risk-reduction efforts.

Vegetation Management Plan, Oakland Fire Department, City of Oakland, California. Prepared a Vegetation Management Plan (VMP) for the City of Oakland Fire Department. The scope of the VMP covers nearly 2,000 acres of City-owned land, along with over 300 miles of roadside treatment areas in the City's designated Very High Fire Hazard Severity Zone. The VMP outlines vegetation management techniques and standards to reduce the likelihood of extreme fire behavior and promote public and firefighter safety. Prioritization of vegetation treatment areas considers these variables and the size, physical characteristics, and spatial distribution of City-owned parcels throughout the VMP area. Supporting the project's environmental review process, which is currently underway.

Roadside Hazard Tree Assessment and Mapping, Sonoma County, California. Served as the project manager for a hazard tree identification and mapping project for approximately 1,700 dead, dying, and hazardous trees along 31 miles of roads in the northwestern portion of Sonoma County. The intent of the project was to identify trees that may impact Sonoma County roads and deliver project data so that it could be used for tree removal contractor bidding. The project was conducted in early 2020 and involved identifying and tagging trees located within the Sonoma County right-of-way and collecting tree attribute data for trees on adjacent private properties where right-of-entry will be needed to facilitate tree removal. Dudek delivered tree attribute and mapping data to Sonoma County in May 2020. The project was funded by a CAL FIRE grant.

Downtown Street Tree Management Plan, City of Redding, California. Served as the lead arborist and project manager to develop a Street Tree Management Plan (STMP) for the downtown portion of the City of Redding. The project involved an assessment and inventory of 711 trees and 164 vacant planting spaces in the City of Redding's downtown core area. Development of the STMP involved a detailed inventory of the City-managed Downtown Core tree population, identification of vacant tree planting sites, an analysis of tree inventory data, quantification of the environmental benefits of the Downtown Core's trees through the i-Tree software suite, evaluating the City's current tree maintenance practices and work history, and development of management recommendations for enhancing existing trees and establishing new trees in currently vacant spaces. The STMP provides guidance for better management of the Downtown Core's tree population, including an analysis of the current urban forest, species, conditions, infrastructure issues, and recommendations for long-term management.

Brayden Dokkestul

ASSOCIATE GIS ANALYST

Brayden Dokkestul is an associate geographic information system (GIS) analyst with 3 years' experience. Mr. Dokkestul is proficient at creating figures for environmental impact reports (EIRs) within Adobe Illustrator and ArcMap. He has experience handling GPS data and aerial imagery. Mr. Dokkestul also created trail maps for Portage County in Wisconsin.

Project Experience

California State University Chico Master Plan EIR, Chico, California. Efficiently revised many figures within Adobe Illustrator and created new figures using ArcMap.

Los Angeles County Housing Element Update, City of Los Angeles, California. Created EIR graphics and maps for a large countywide EIR.

Sacramento International Airport, Sacramento, California. Created EIR and cultural figures.

Oregon Solar Project Siting Support, Confidential Client, State of Oregon. Performed multiple analyses to find reasonable locations for solar projects within the State of Oregon, then created figures to help present these opportunities.

El Monte Valley Sand Mine, El Monte, California. Created EIR and cultural figures in a timely manner.

Conco Warehouse Development, California. Created figures using both ArcMap and Adobe Illustrator for multiple reports including bio resources, cultural resources, and graphics for the project description.

Education

University of Wisconsin,
Stevens Point
BS, Geoscience (Spatial
Analysis emphasis)

Certifications

Geographic Information
System (GIS) Certificate



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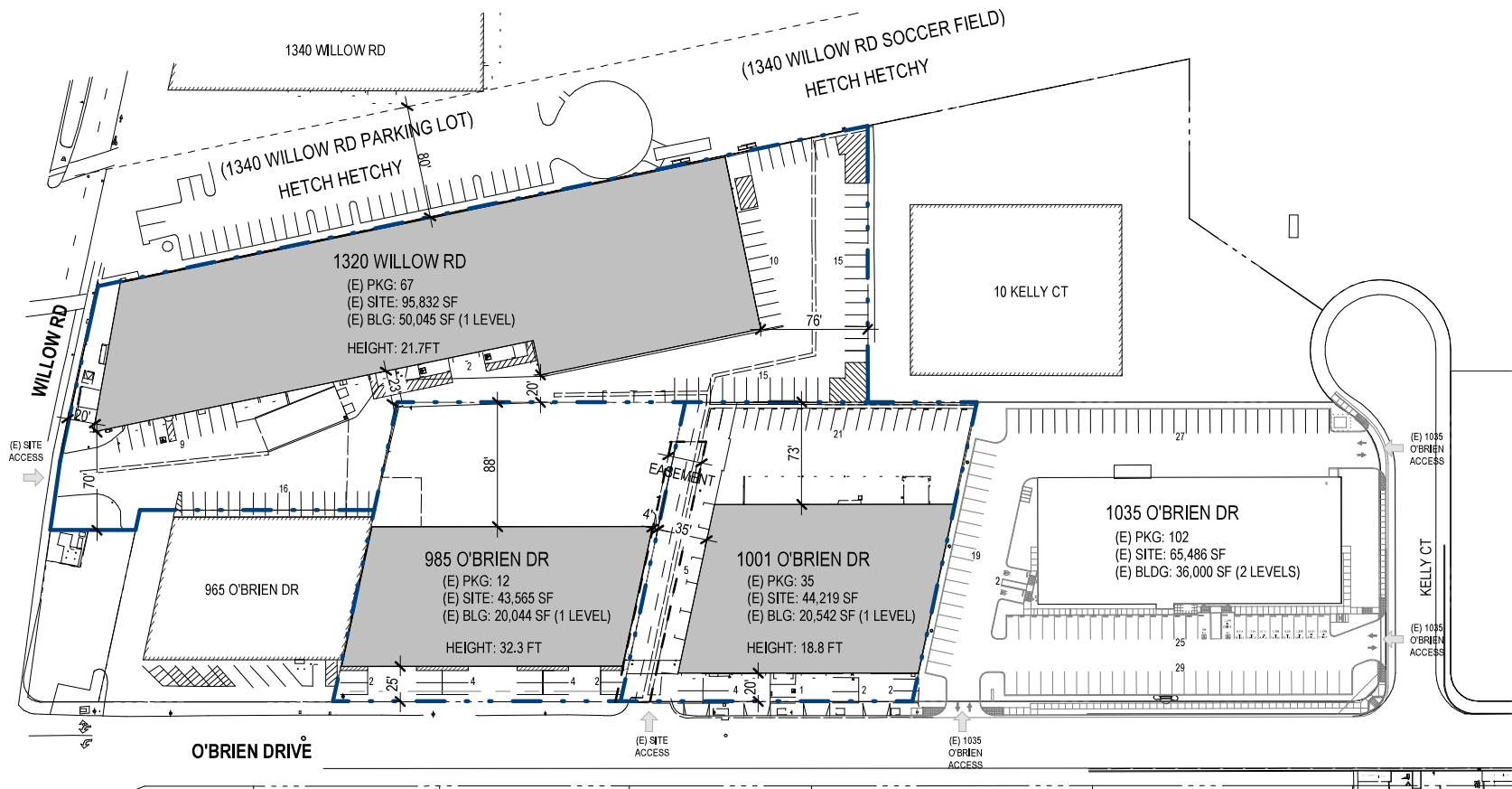
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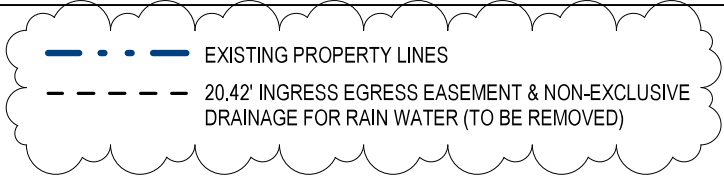
COVER SHEET



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1 EXISTING SITE PLAN
1" = 80'-0"



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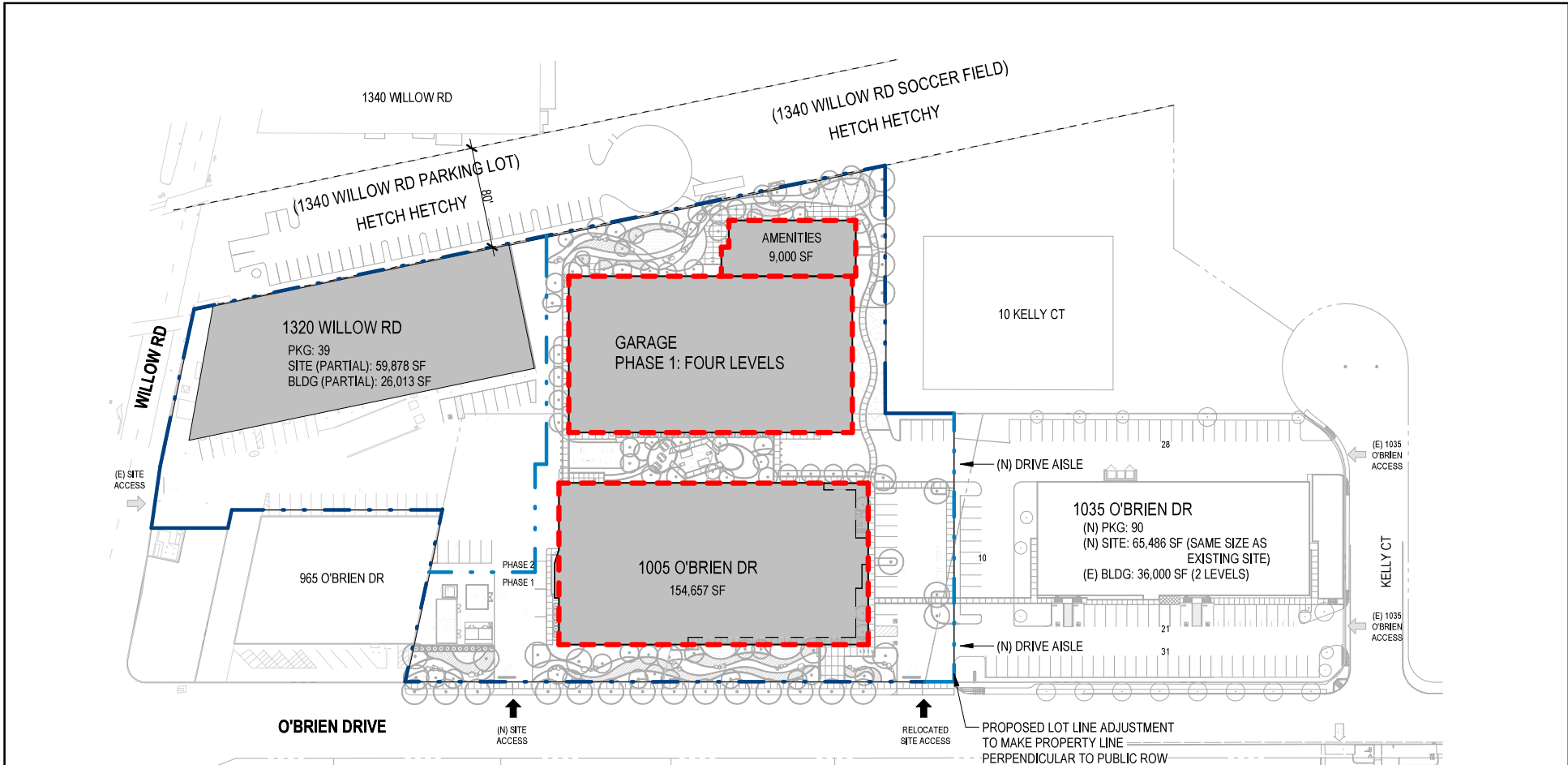
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EXISTING SITE PLAN



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1 PHASE 1
 1" = 80'-0"

PHASE 1 SITE: 123,738 SF

- · — · — EXISTING PROPERTY LINES
- · — · — LOT LINE ADJUSTMENT DURING PHASE 1
- - - - - PHASE 1 BUILDINGS



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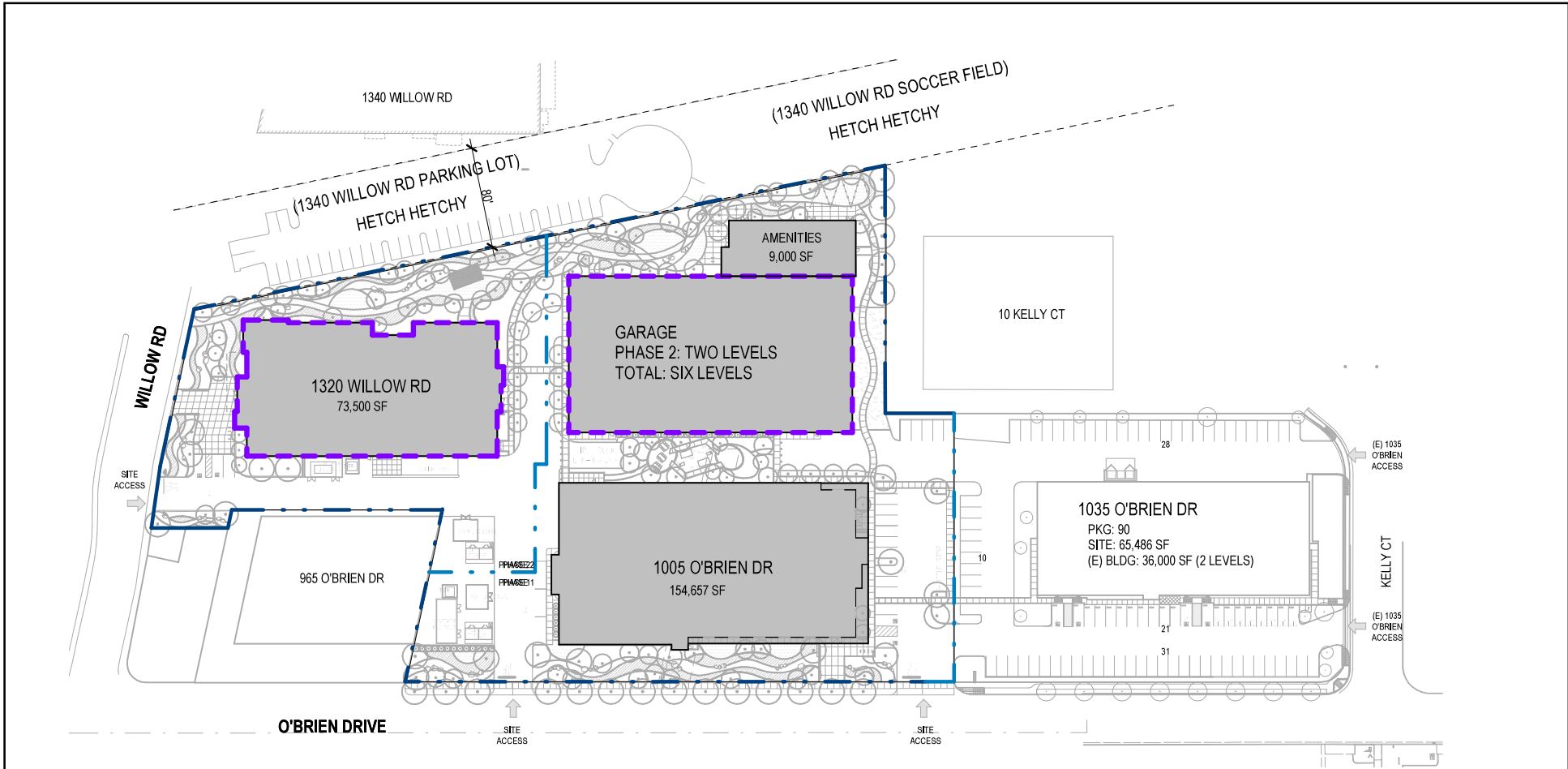
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PHASING PLAN - PHASE 1



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1 PHASE 2
1" = 80'-0"

PHASE 2 SITE: 59,878 SF

- · · — EXISTING PROPERTY LINES
- · · — LOT LINE ADJUSTMENT DURING PHASE 1
- - - - - PHASE 2 BUILDINGS

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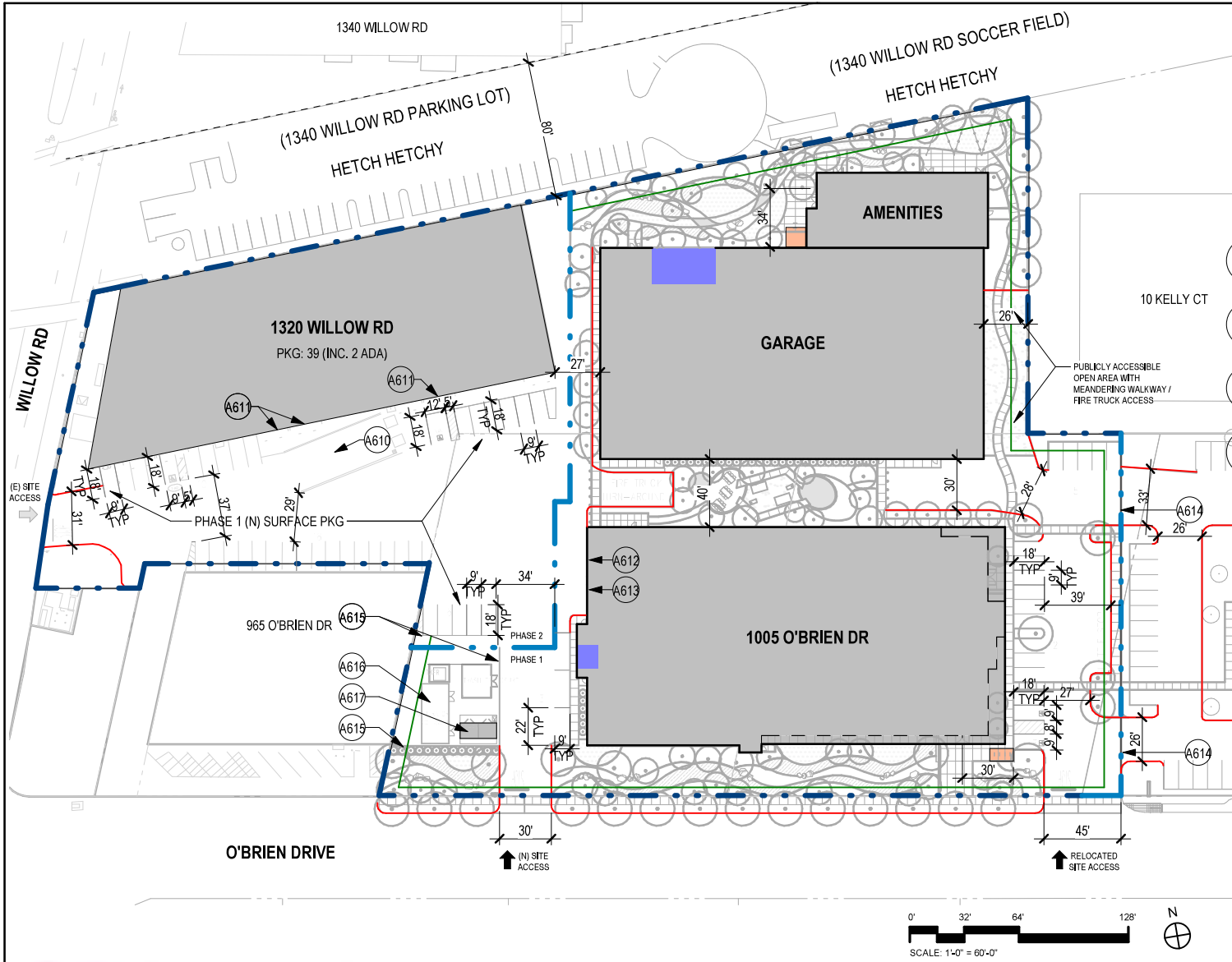
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PHASING PLAN - PHASE 2



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SHEET NOTES

KEYNOTES

A610	(E) RECESSED LOADING DOCK
A611	(E) ROLL UP DOOR
A612	(N) LOADING DOCK W/ROLL UP DOOR
A613	(N) ROLL UP DOOR
A614	(N) PROPOSED ACCESS INTO NEIGHBORING PROPERTY
A615	(N) SERVICE YARD SCREENING
A616	(N) GENERATOR
A617	POTENTIAL CHEMICAL STORAGE (TBD - FUTURE TENANT)

LEGEND

- · — · — EXISTING PROPERTY LINE
- · — · — PROPOSED LOT LINE ADJUSTMENT
- LS-ZONING SETBACKS
- FIRE LANE - NO PARKING
- SITE COVERAGE

- ENCLOSED LONG-TERM BICYCLE PARKING : 41 (PHASE 1)
SEE SHEET A9.2 & A13.4
- EXTERIOR LOOPS SHORT-TERM BICYCLE PARKING : 12 BIKES
(8 AT 1005 O'BRIEN DR + 4 AT AMENITIES)
- TXFR TRANSFORMER

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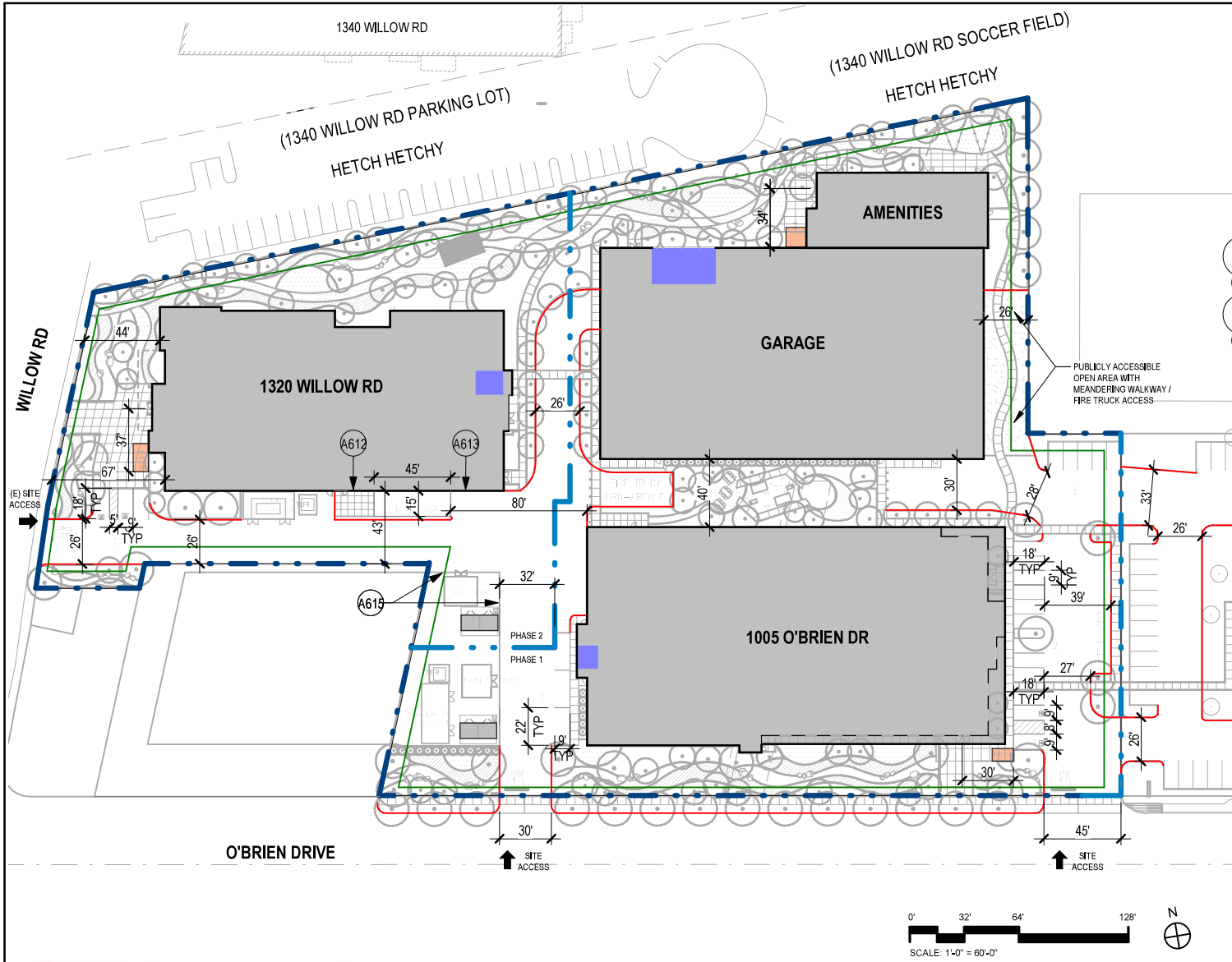
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PHASE 1 PROPOSED SITE PLAN



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SHEET NOTES

KEYNOTES

A612	(N) LOADING DOCK W/ROLL UP DOOR
A613	(N) ROLL UP DOOR
A615	(N) SERVICE YARD SCREENING

LEGEND

- · — · — EXISTING PROPERTY LINE
- · — · — PROPOSED LOT LINE ADJUSTMENT
- LS-ZONING SETBACKS
- FIRE LANE - NO PARKING
- SITE COVERAGE

- ENCLOSED LONG-TERM BICYCLE PARKING : 48 (PHASE 1 + PHASE 2) SEE SHEET A11.2 & A13.4
- EXTERIOR LOOPS SHORT-TERM BICYCLE PARKING : 20 BIKES (PHASE 1 + 8 AT 1320 WILLOW RD)

TXFR TRANSFORMER

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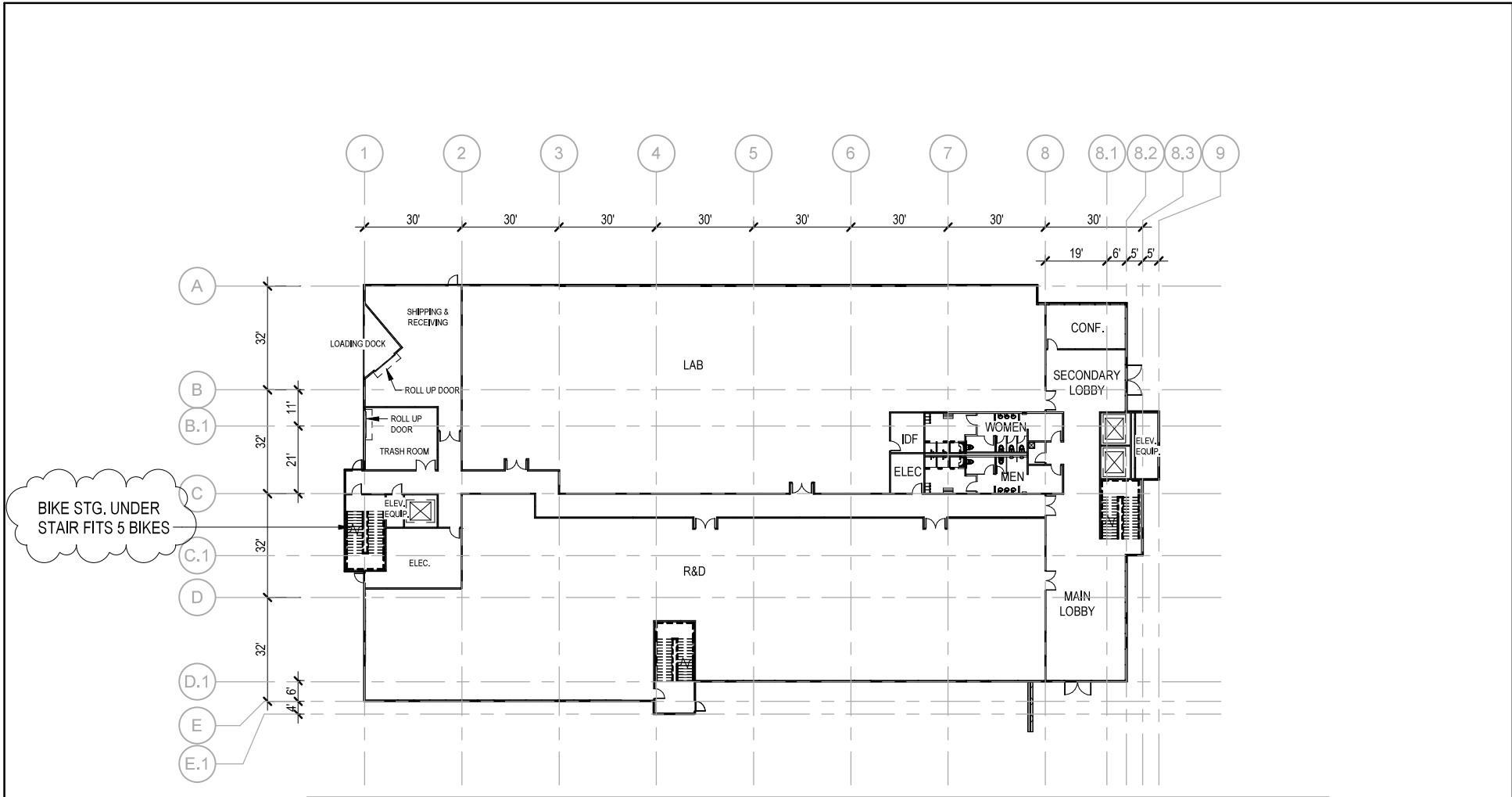
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PHASE 2 PROPOSED SITE PLAN



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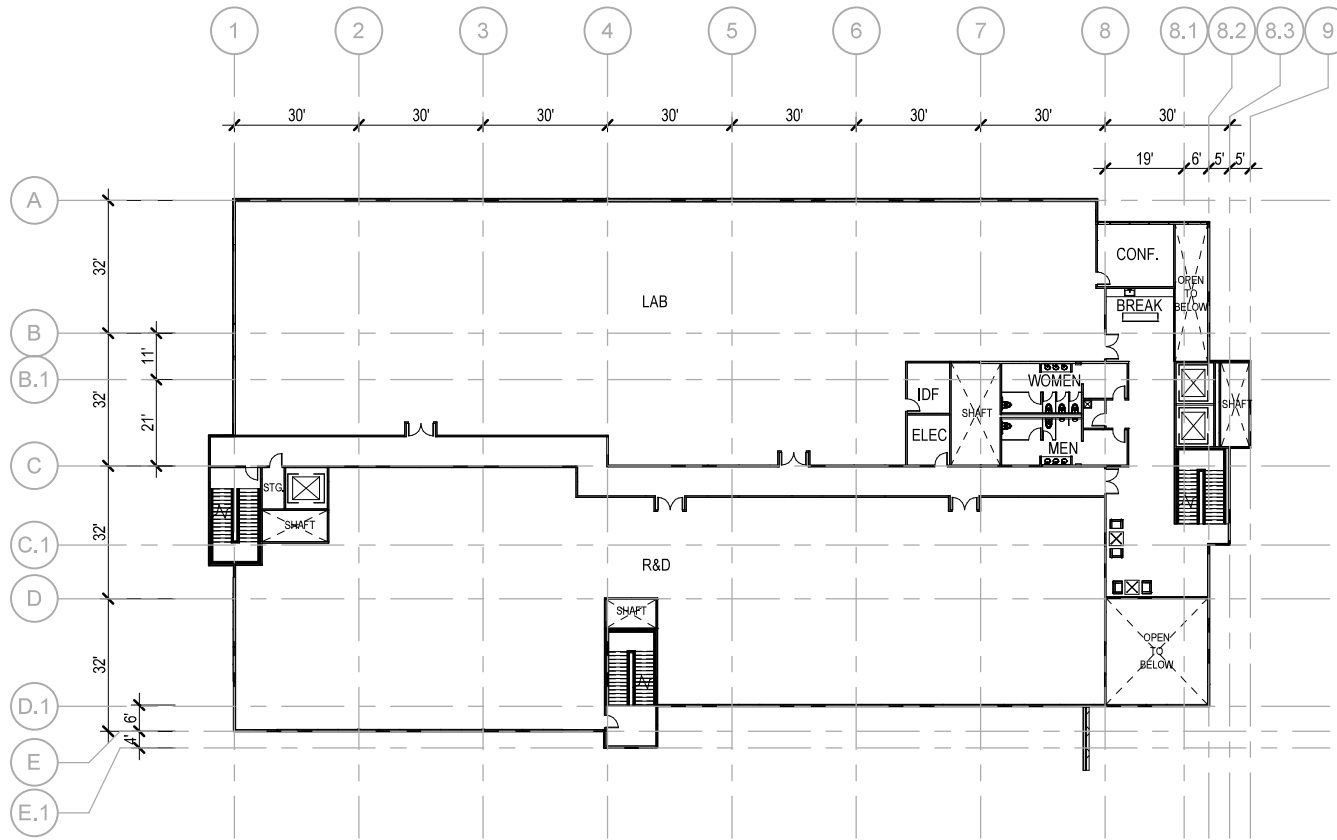
1005 O'BRIEN LEVEL 1

A9.2



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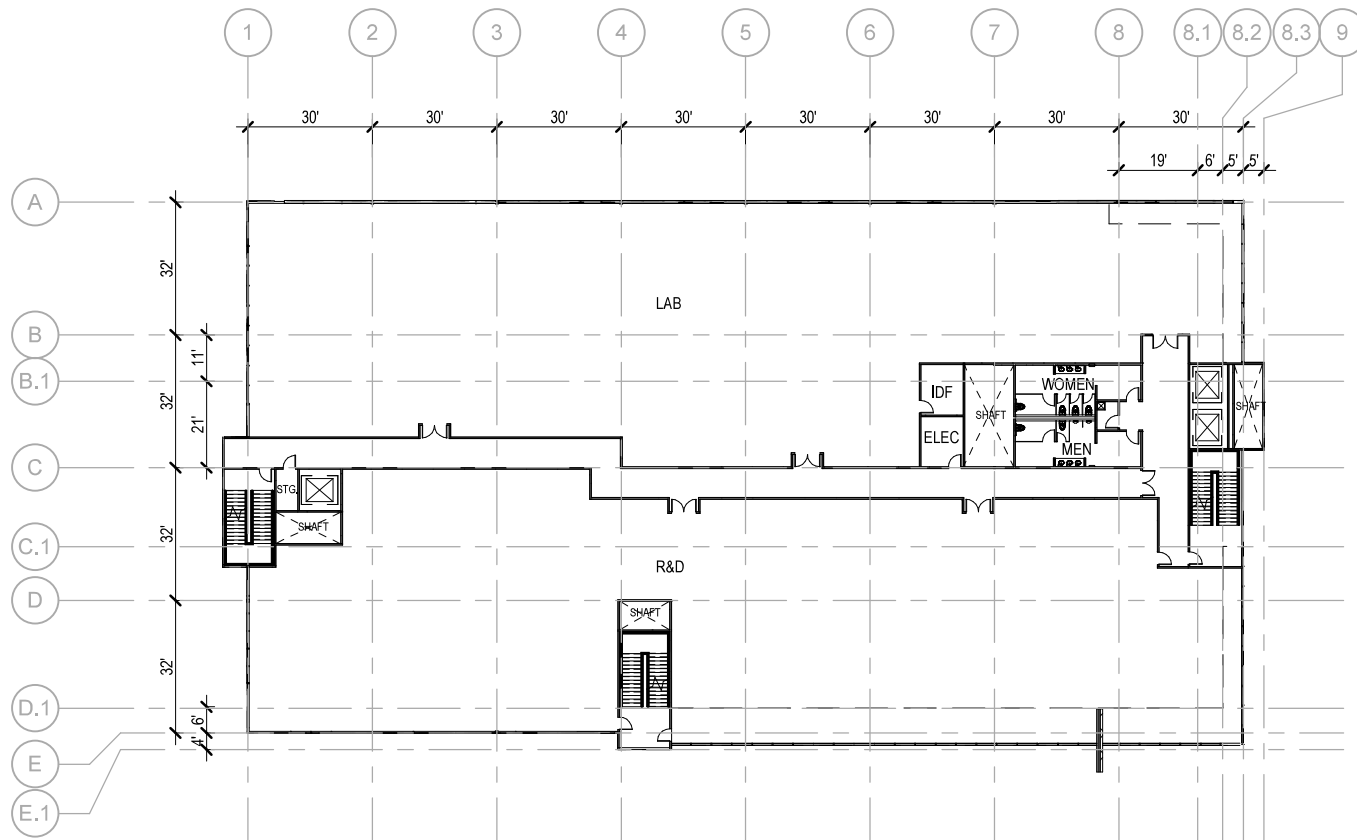
1005 O'BRIEN LEVEL 2

A9.3



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1005 O'BRIEN LEVEL 3-5

A9.4 **DES**
ARCHITECTS
ENGINEERS

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HEIGHT CALCULATION - PHASE 1




	AREA (SF)	HEIGHT (FT)	TOTAL HEIGHT (FT)
1005 O'BRIEN DR			
BUILDING	27,412	85	87*
STAIR TOWERS /ROOF CONF & STG	3,521	99	101*
AMENITIES			
BUILDING	3,417	32	34*
STAIR TOWERS /ROOF STG	1,033	43	45*
GARAGE			
FOOTPRINT	26,850	47	49*
STAIR TOWERS	1,050	57	59*

AVERAGE HEIGHT 66.91

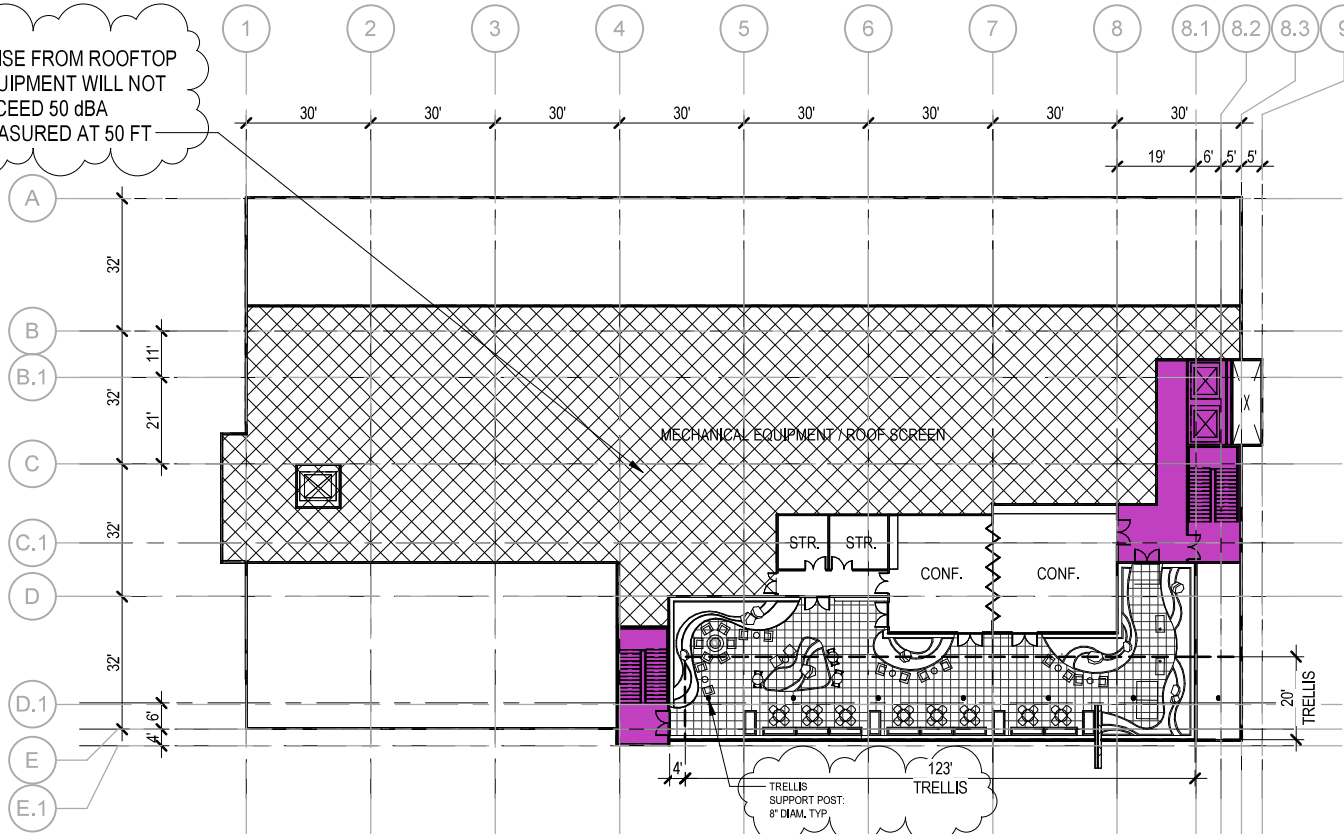
AVERAGE HEIGHT MAX 77.5 FT (INC. 10FT FLOOD ZONE)

* INCLUDES 2FT RAISED GRADE ABOVE EXISTING GRADE TO ACCOMMODATE FLOOD PLAIN REQUIREMENTS

LEGEND

-  MECHANICAL EQUIPMENT / ROOF SCREEN AREA
-  ROOF ACCESS & CIRCULATION
-  ROOF TOP TRELLIS

NOISE FROM ROOFTOP EQUIPMENT WILL NOT EXCEED 50 dBA MEASURED AT 50 FT



EMPLOYEE USE ONLY



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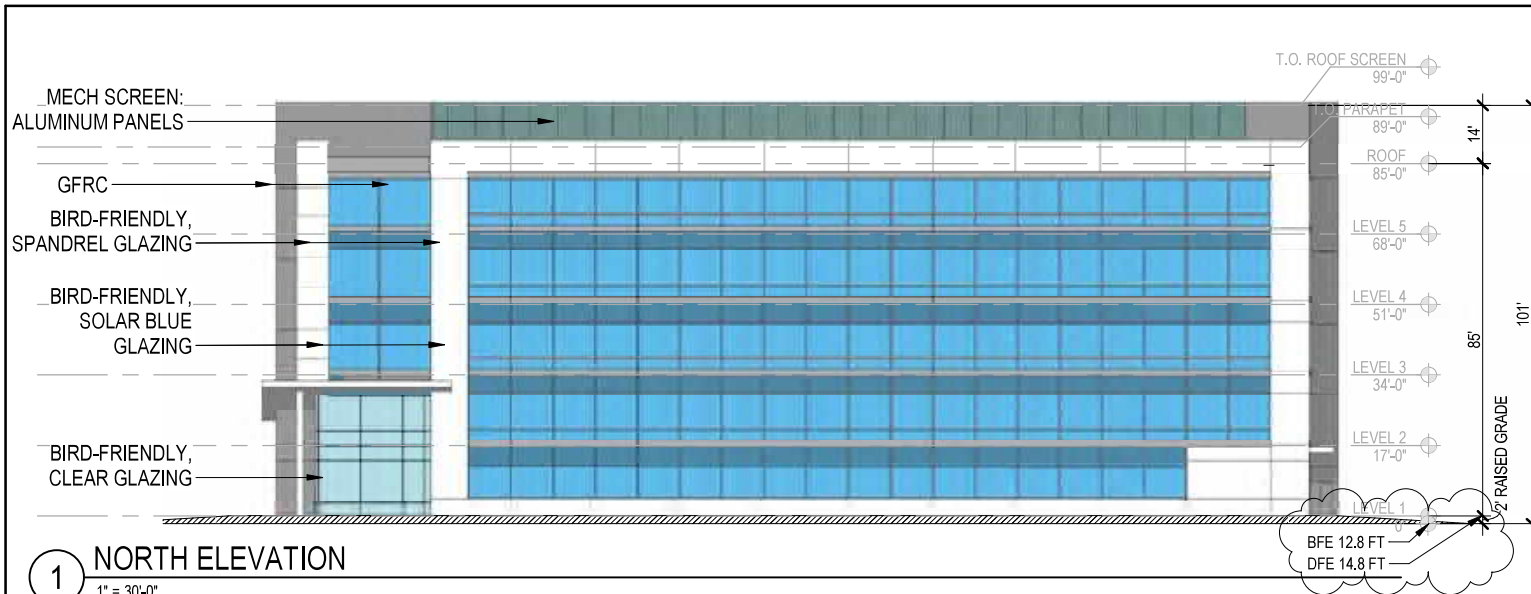
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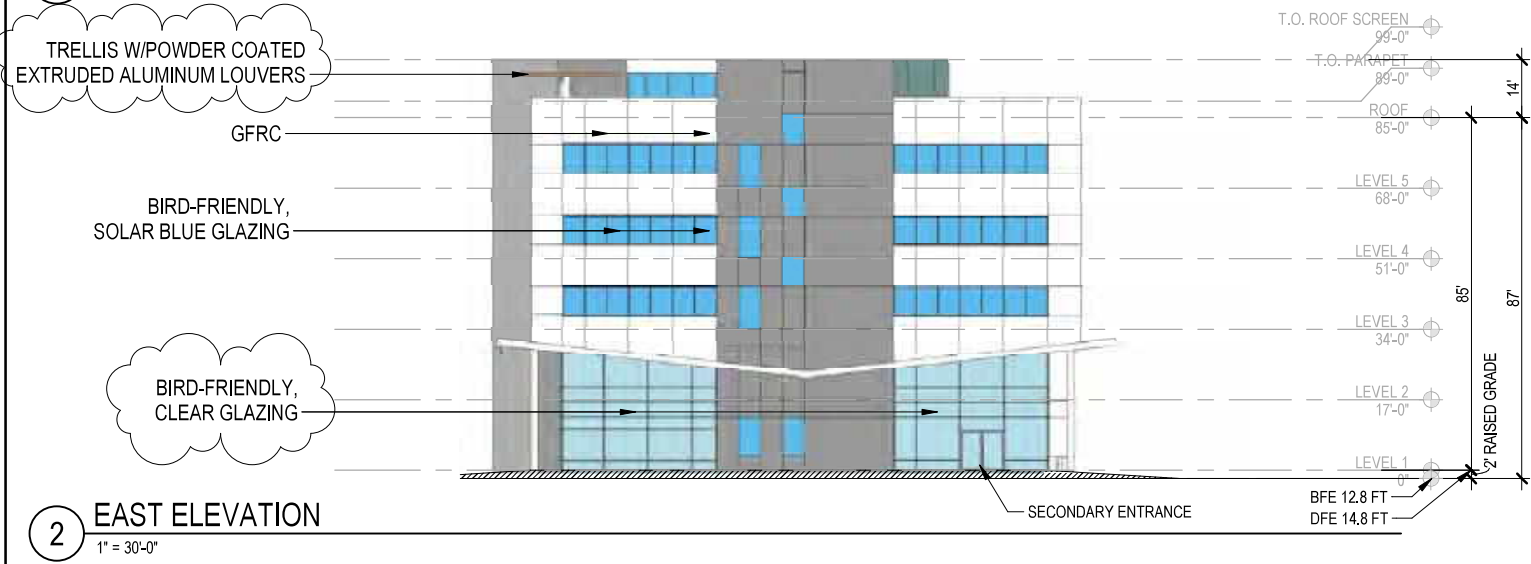
1005 O'BRIEN ROOF & HEIGHT
CALCULATION



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1 NORTH ELEVATION
1" = 30'-0"



2 EAST ELEVATION
1" = 30'-0"

LEGEND

- SOLAR BAN 70, SOLAR BLUE LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- VITRO SOLARBAN 70XL, CLEAR LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- CORRUGATED ALUMINUM PANNELLING COLOR TBD
- GROUND FLOOR FRONTAGE 4,375 SF
- GROUND FLOOR TRANSPARENCY AT FRONTAGE
REQUIRED: 1,750 SF (40%)
PROVIDED: 2,063 SF (47%)

PROPOSED GLAZING RATIO

NORTH ELEVATION: 22,400 SF
SOLAR BLUE GLAZING: 15,000 SF (67%)
CLEAR GLAZING: 810 SF (4%)

EAST ELEVATION: 11,150 SF
SOLAR BLUE GLAZING: 2,000 SF (18%)
CLEAR GLAZING: 2,000 SF (18%)

NOTE:
ALUMINUM FRAMES AT WINDOWS AND DOORS

KEY PLAN

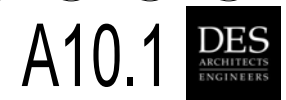
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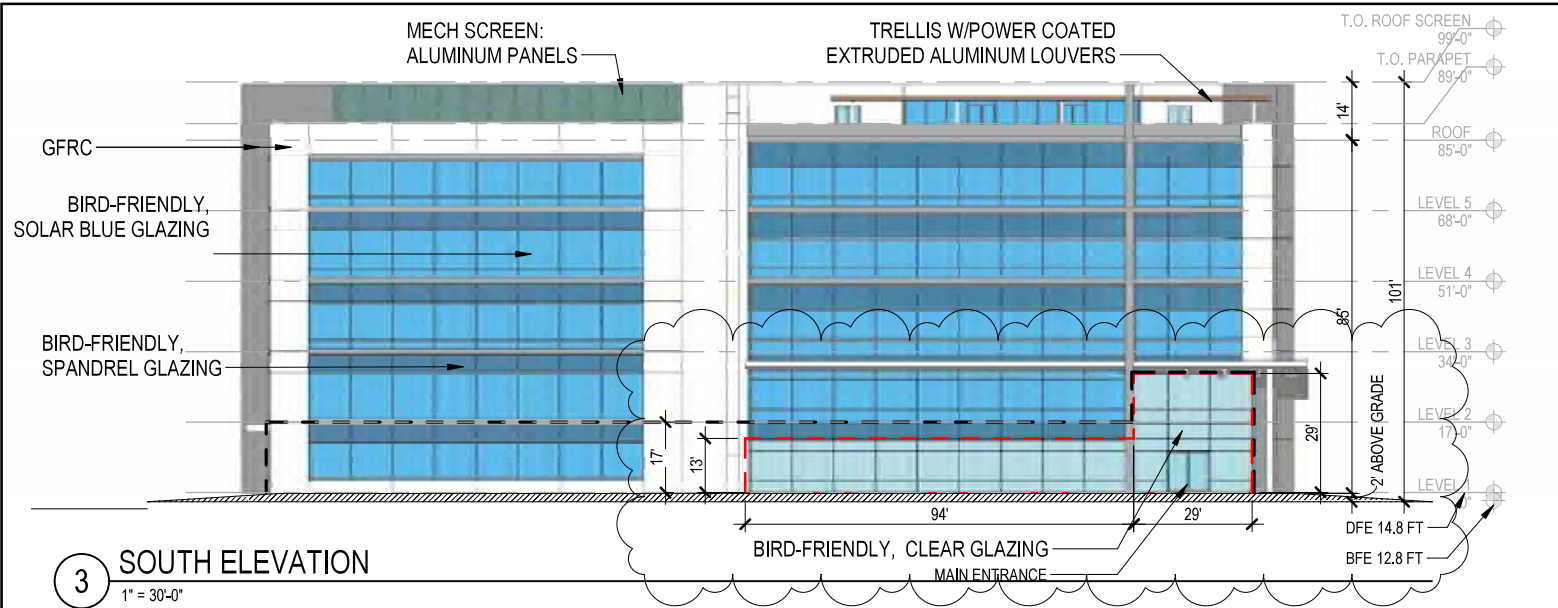
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1005 O'BRIEN BUILDING
 ELEVATIONS



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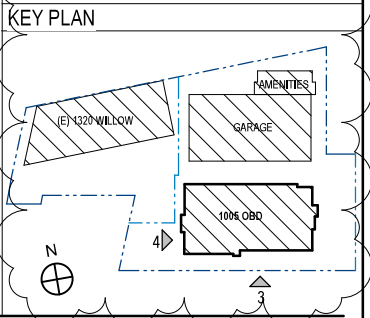
LEGEND

- SOLAR BAN 70, SOLAR BLUE LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- VITRO SOLARBAN 70XL, CLEAR LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- CORRUGATED ALUMINUM PANNELING COLOR TBD
- GROUND FLOOR FRONTAGE 4,375 SF
- GROUND FLOOR TRANSPARENCY AT FRONTAGE
 REQUIRED: 1,750 SF (40%)
 PROVIDED: 2,063 SF (47%)

PROPOSED GLAZING RATIO

SOUTH ELEVATION: 22,000 SF
SOLAR BLUE GLAZING: 13,510 SF (61%)
CLEAR GLAZING: 2,063 SF (9%)
WEST ELEVATION: 10,800 SF
SOLAR BLUE GLAZING: 3,700 SF (34%)

NOTE:
ALUMINUM FRAMES AT WINDOWS AND DOORS



3 SOUTH ELEVATION
1" = 30'-0"

4 WEST ELEVATION
1" = 30'-0"



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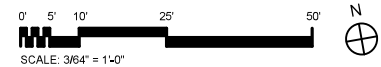
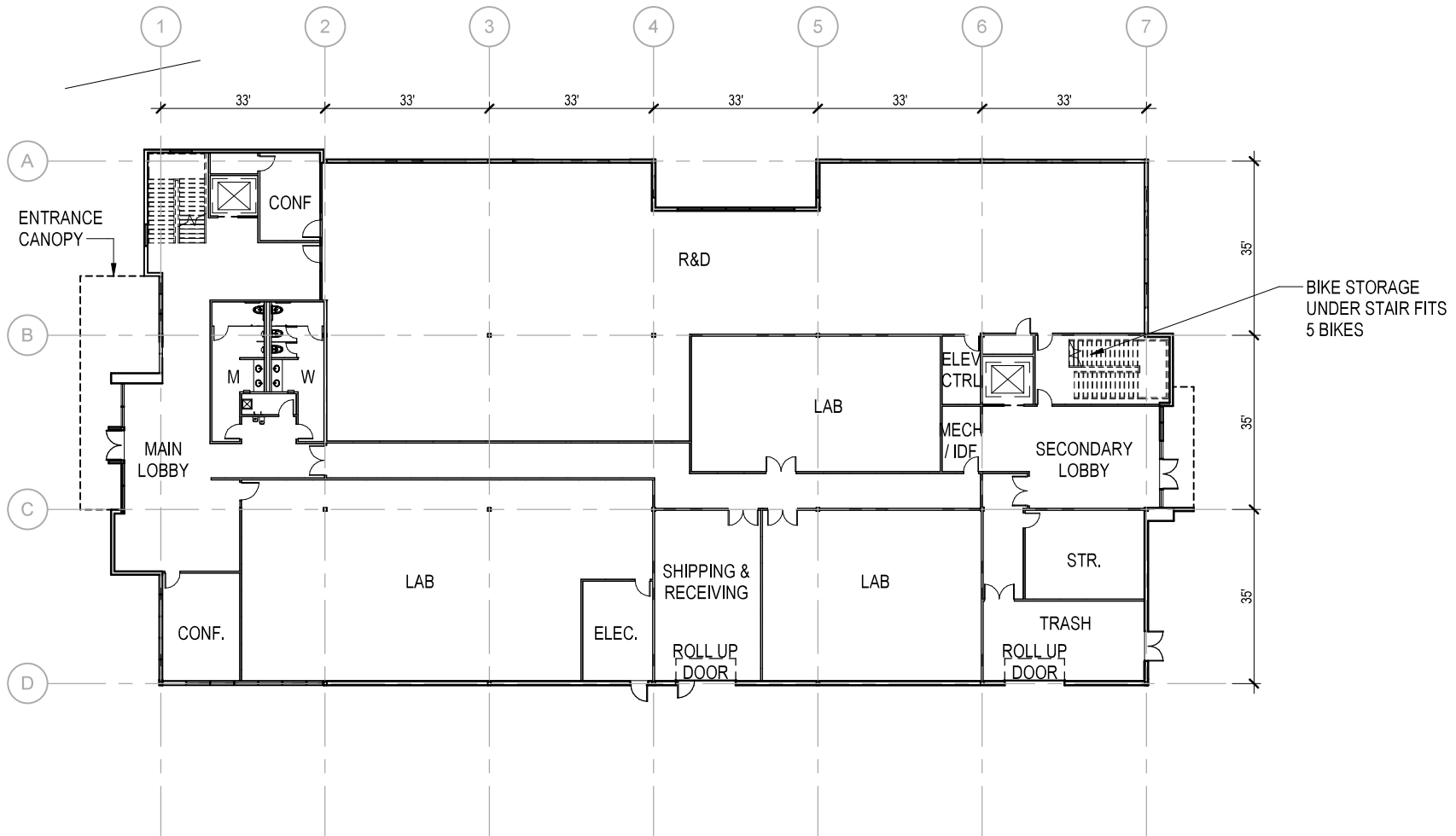
1005 O'BRIEN BUILDING
ELEVATIONS

A10.2



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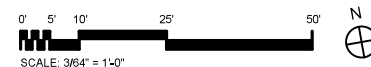
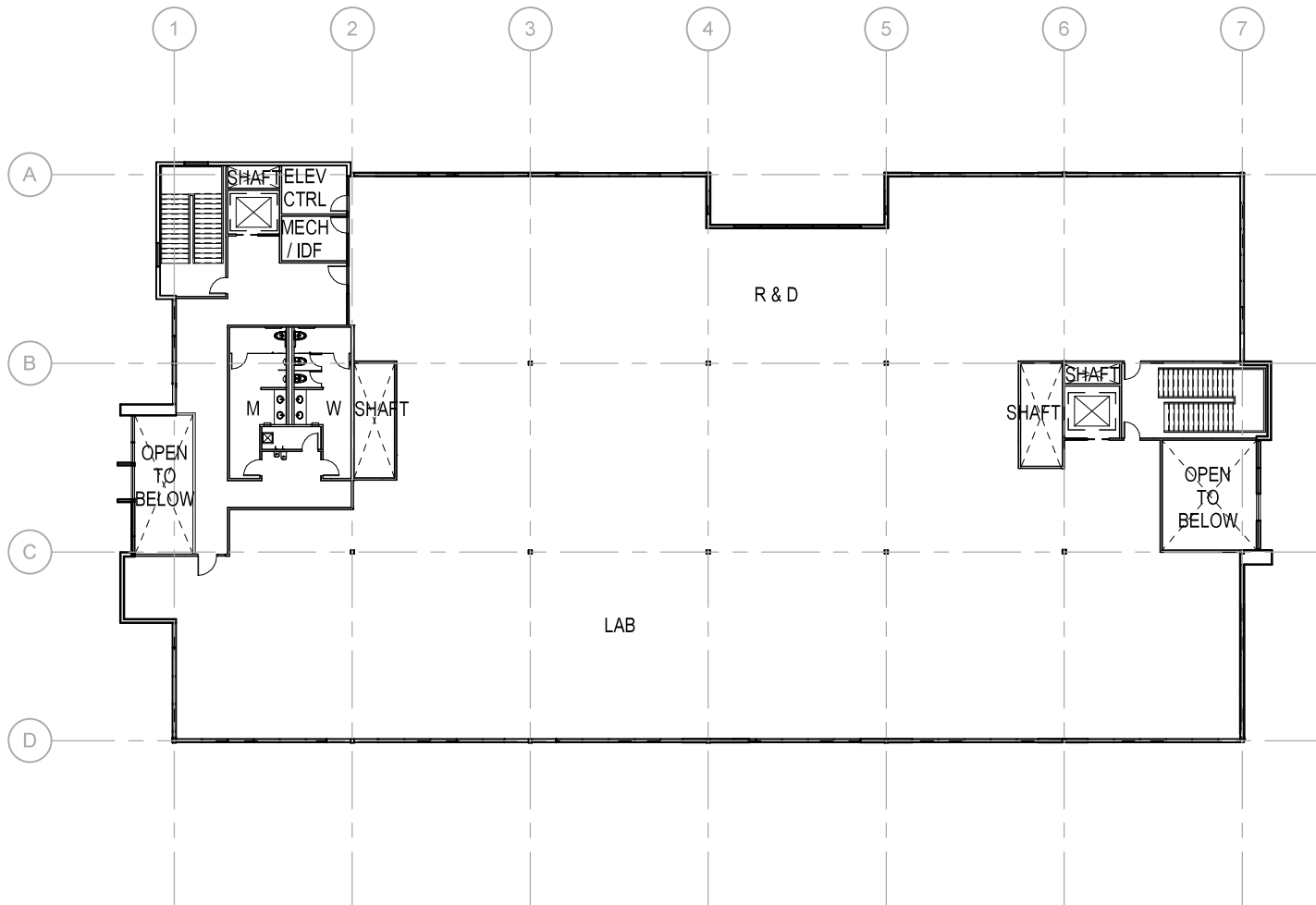
1320 WILLOW LEVEL 1

A11.2



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 06-23-2021 C.U.P. SUBMITTAL
 04-15-2021 D.R.T. REVIEW

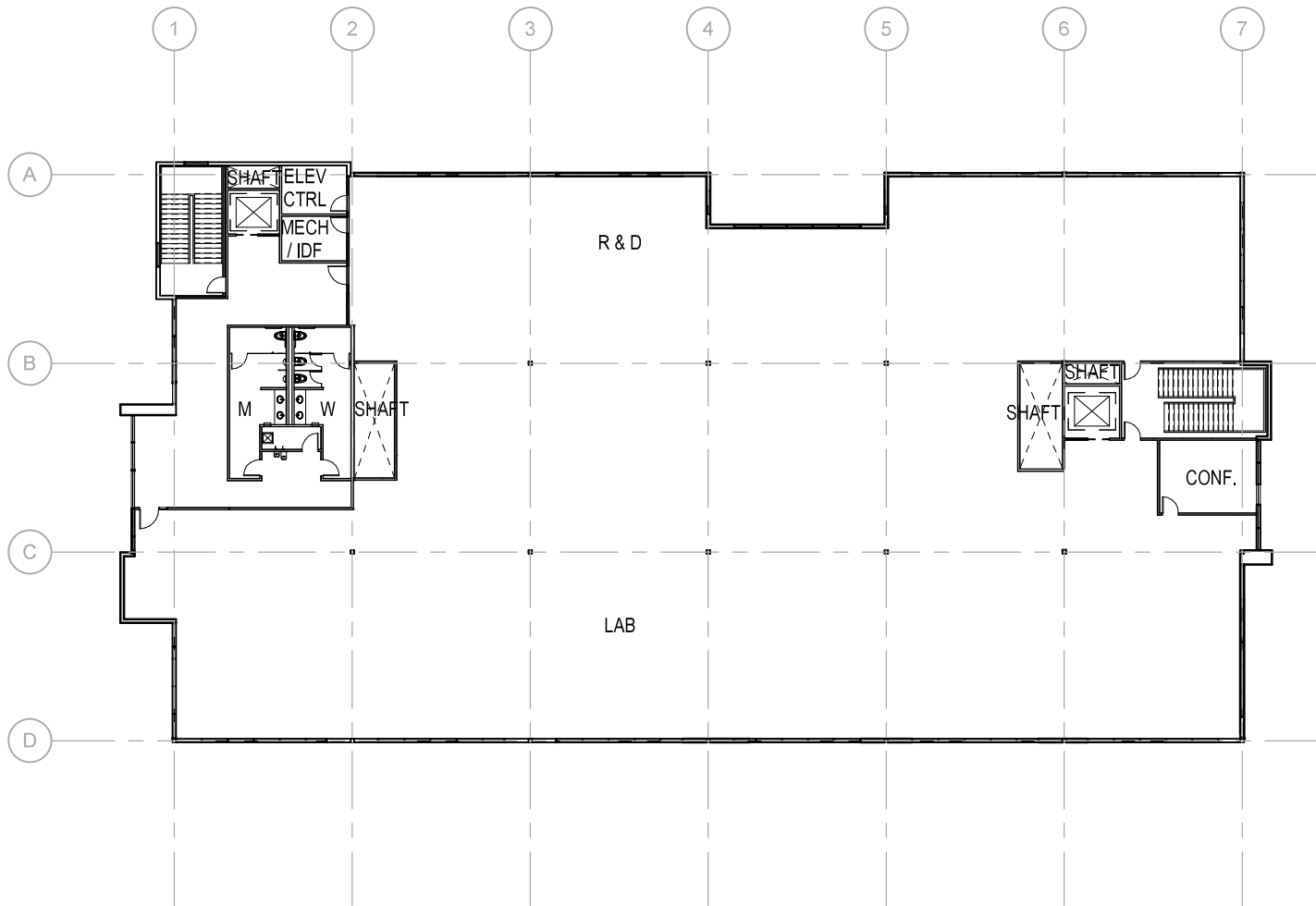
1320 WILLOW LEVEL 2

A11.3



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BM 9607/Tarlton - 1065 OBD/10025002_A_10650BD_SHELL_2020_Central.rvt



985 & 1001 O'BRIEN DR
 1320 WILLOW RD
 MENLO PARK, CA 94025

10-28-2021 C.L.P. RESPONSE 1
 06-23-2021 C.L.P. SUBMITTAL
 04-15-2021 D.R.T. REVIEW

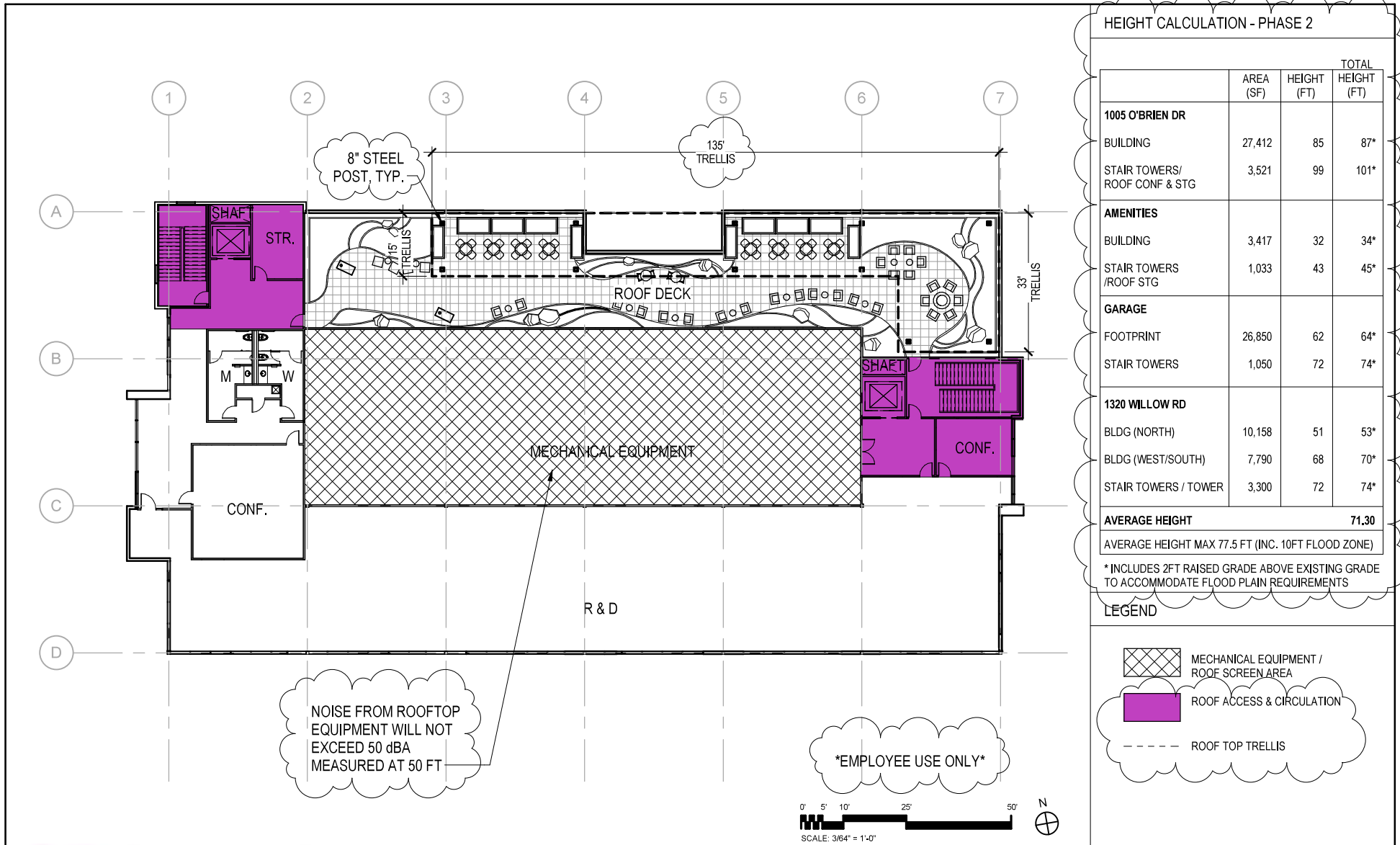
1320 WILLOW LEVEL 3

A11.4



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BIM-9501/Tarlton - 1005 O'Brien - 1005 O'Brien_SHELL_2020_Central.rvt



HEIGHT CALCULATION - PHASE 2

	AREA (SF)	HEIGHT (FT)	TOTAL HEIGHT (FT)
1005 O'BRIEN DR			
BUILDING	27,412	85	87*
STAIR TOWERS/ ROOF CONF & STG	3,521	99	101*
AMENITIES			
BUILDING	3,417	32	34*
STAIR TOWERS /ROOF STG	1,033	43	45*
GARAGE			
FOOTPRINT	26,850	62	64*
STAIR TOWERS	1,050	72	74*
1320 WILLOW RD			
BLDG (NORTH)	10,158	51	53*
BLDG (WEST/SOUTH)	7,790	68	70*
STAIR TOWERS / TOWER	3,300	72	74*
AVERAGE HEIGHT			71.30
AVERAGE HEIGHT MAX 77.5 FT (INC. 10FT FLOOD ZONE)			
* INCLUDES 2FT RAISED GRADE ABOVE EXISTING GRADE TO ACCOMMODATE FLOOD PLAIN REQUIREMENTS			

LEGEND

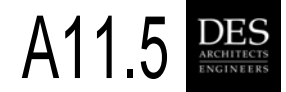
- MECHANICAL EQUIPMENT / ROOF SCREEN AREA
- ROOF ACCESS & CIRCULATION
- ROOF TOP TRELLIS



985 & 1001 O'BRIEN DR
 1320 WILLOW RD
 MENLO PARK, CA 94025

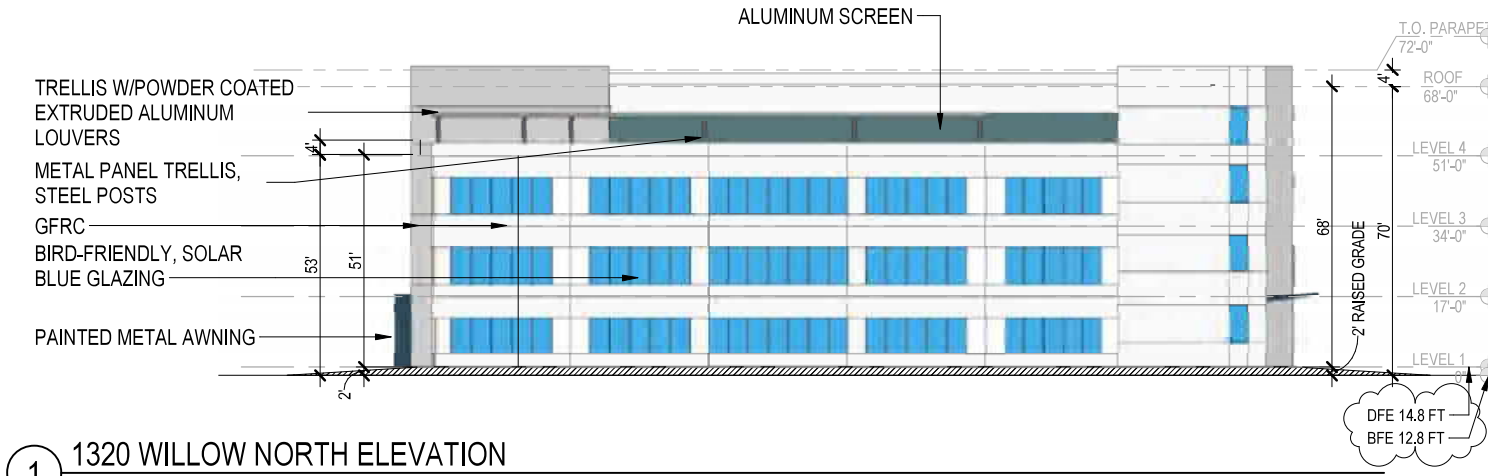
10-28-2021 C.L.P. RESPONSE 1
 06-23-2021 C.L.P. SUBMITTAL
 04-15-2021 D.R.T. REVIEW

1320 WILLOW LEVEL 4 /ROOF &
 HEIGHT CALCULATION

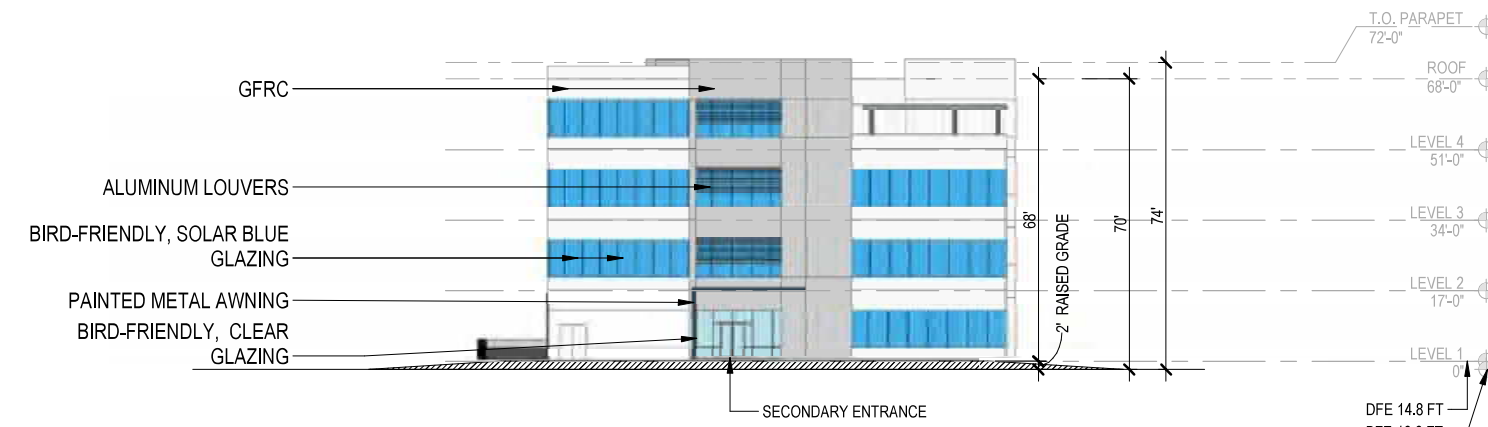


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1 1320 WILLOW NORTH ELEVATION
 1" = 30'-0"



2 1320 WILLOW EAST ELEVATION
 1" = 30'-0"

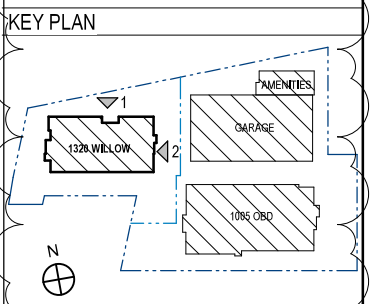
LEGEND

- SOLAR BAN 70, SOLAR BLUE LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- VITRO SOLARBAN 70XL, CLEAR LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
- CORRUGATED ALUMINUM PANNELING COLOR TBD
- GROUND FLOOR FRONTAGE 1,914 SF
- GROUND FLOOR TRANSPARENCY AT FRONTAGE
 REQUIRED: 766 SF (40%)
 PROVIDED: 939 SF (49%)

PROPOSED GLAZING RATIO

NORTH ELEVATION: 11,000 SF SOLAR BLUE GLAZING: 3,250 SF (30%)
EAST ELEVATION: 7,200 SF SOLAR BLUE GLAZING: 2,500 SF (35%) CLEAR GLAZING: 250 SF (4%)

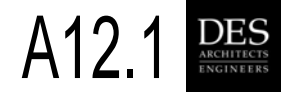
NOTE:
ALUMINUM FRAMES AT WINDOWS AND DOORS



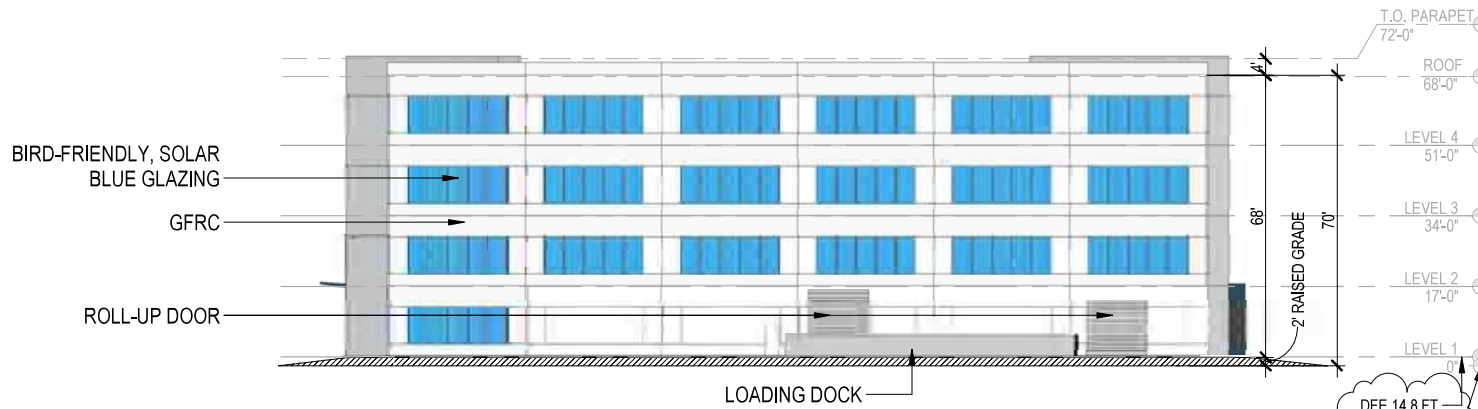
985 & 1001 O'BRIEN DR
 1320 WILLOW RD
 MENLO PARK, CA 94025

10-28-2021 C.L.P. RESPONSE 1
 06-23-2021 C.L.P. SUBMITTAL
 04-15-2021 D.R.T. REVIEW

1320 WILLOW BUILDING
 ELEVATIONS



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


3 1320 WILLOW SOUTH ELEVATION
1" = 30'-0"



4 1320 WILLOW WEST ELEVATION
1" = 30'-0"

LEGEND

-  SOLAR BAN 70, SOLAR BLUE LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
-  VITRO SOLARBAN 70XL, CLEAR LOW-E GLAZING, WITH A BIRD-FRIENDLY 2" x 4" CERAMIC DOT FRIT PATTERN
-  GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
-  GLASS FIBER REINFORCED CONCRETE PANELS SAND BLASTED FINISH TBD
-  CORRUGATED ALUMINUM PANNELING COLOR TBD
-  GROUND FLOOR FRONTAGE 1,914 SF
-  GROUND FLOOR TRANSPARENCY AT FRONTAGE
REQUIRED: 766 SF (40%)
PROVIDED: 939 SF (49%)

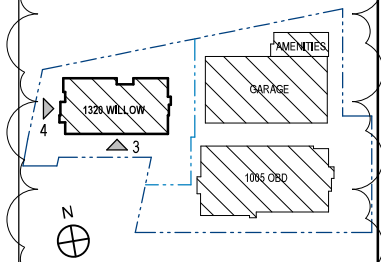
PROPOSED GLAZING RATIO

SOUTH ELEVATION: 14,400 SF
SOLAR BLUE GLAZING: 4,265 SF (30%)

WEST ELEVATION: 8,115 SF
SOLAR BLUE GLAZING: 2,151 SF (27%)
CLEAR GLAZING: 939 SF (12%)

NOTE:
ALUMINUM FRAMES AT WINDOWS AND DOORS

KEY PLAN



BM 1960/J/Tarlton - 1065 OBD/1025502_A_1065OBD_SHELL_2020_Central.rvt



985 & 1001 O'BRIEN DR
1320 WILLOW RD
MENLO PARK, CA 94025

10-28-2021 C.L.P. RESPONSE 1
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1320 WILLOW BUILDING
ELEVATIONS

A12.2



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CITY OF
MENLO PARK

CITY OF MENLO PARK

LOCATION MAP

1005 O'BRIEN DRIVE AND 1320 WILLOW ROAD

Scale: 1:6,000

Drawn By: CRT

Checked By: DMC

Date: 4/12/2022 Page 1-5.11





February 24, 2022

Christopher Turner
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Subject: Proposal to Prepare the Environmental Review Documentation for the
1005 O'Brien Drive and 1320 Willow Road Project

Dear Mr. Turner:

LSA is pleased to submit this proposal for the preparation of the environmental review documentation for the proposed 1005 O'Brien Drive and 1320 Willow Road Project (project), pursuant to the California Environmental Quality Act (CEQA). Based on our understanding of the proposed project and familiarity with the project area and City's General Plan (ConnectMenlo) and the certified ConnectMenlo Final Environmental Impact Report (ConnectMenlo Final EIR), the following proposed work program reflects the level of effort required to prepare an Initial Study and Focused Environmental Impact Report (EIR). This proposal supersedes the one previously provided on February 11, 2022.

Preparation of the environmental review documentation will be managed by the same team that recently prepared similar environmental review documentation for the Menlo Uptown, Menlo Portal, and Menlo Flats projects. **Theresa Wallace, AICP**, will serve as **Principal in Charge** and **Matthew Wiswell, AICP, Senior Planner** will serve as **Project Manager** and prepare the non-technical inputs and analysis. LSA technical specialists will include **Amy Fischer, Principal**, who will prepare the air quality, greenhouse gas emissions, and noise analyses. The Transportation Impact Analysis (TIA) will be prepared by LSA's in-house transportation specialists and the analysis will be managed by **Dean Arizabal, Principal/Transportation Planner**. LSA will be joined by **Keyser Marston Associates (KMA)** who will prepare a Housing Needs Assessment.

A Statement of Qualifications and summary of LSA's recent project experience within the City of Menlo Park and with projects with similar characteristics is provided as an attachment. A description of LSA's diversity, equity, and inclusion policies and programs is also included as an attachment.

A. PROJECT UNDERSTANDING

Our understanding of the project is based on review of the December 16, 2021 Request for Proposals and the project application materials dated June 23, 2021. The proposed project would include the phased redevelopment of an approximately 4.22-acre site located at 985 and 1001 O'Brien Drive and 1320 Willow Road in the City of Menlo Park. The site is located south of Bayfront Expressway (State Route 84 or SR 84) and east of Willow Road and within the City's Bayfront Area. The site is located within the Life Science-Bonus (LS-B) zoning district.

The proposed project would result in the demolition of three existing industrial and research and development (R&D) buildings and construction of two new buildings with approximately 228,262

square feet of R&D space, 9,683 square feet of employee amenity space, and a 511-space parking structure, as well as associated improvements.

The proposed project would be constructed in two phases, beginning with the demolition of the 985 and 1001 O'Brien Drive buildings, partial demolition of the 1320 Willow Road building, construction of the new 1005 O'Brien Drive building, and construction of four stories of the parking structure. The second phase would consist of the demolition of the remainder of the 1320 Willow Road building, construction of the new 1320 Willow Road building, and construction of the two remaining stories of the parking structure.

The proposed project includes a request for a use permit for bonus level development in exchange for community amenities. Additional actions and entitlements may also be required.

B. WORK PROGRAM APPROACH

The approach to environmental review of the 1005 O'Brien Drive and 1320 Willow Road Project includes the preparation of an Initial Study as a preliminary environmental document, which will contain an evaluation and discussion of environmental topics to be excluded from full analysis in the Focused EIR. The analysis in the Initial Study and Focused EIR is anticipated to be streamlined and would tier off of the program-level EIR prepared for ConnectMenlo, pursuant to CEQA Guidelines sections 15152 and 15168.

The Initial Study will fully document the finding that topics not addressed in detail in the EIR would not be associated with any new or more severe significant environmental impacts that were not already identified in the certified ConnectMenlo Final EIR. Based on LSA's experience with similar projects in the Bayfront area and our familiarity with the ConnectMenlo EIR, it anticipated that potential impacts associated with aesthetics; agriculture and forestry resources; biological resources; cultural resources; energy; geology and soils; hazards and hazardous materials; hydrology and water quality; land use and planning; mineral resources; noise (construction period); parks and recreation; public services; tribal cultural resources; utilities and service systems; and wildfire would be less than significant. Mitigation measures identified in the ConnectMenlo Final EIR that are applicable to the proposed project will be identified to support the conclusions in the Initial Study. The Initial Study will be circulated for public comment along with the Notice of Preparation indicating that a Focused EIR will be prepared.

LSA believes that a Focused EIR addressing the topics of population and housing; transportation; air quality, greenhouse gas emissions; and operation-period traffic noise would likely prove necessary to fulfill the requirements of CEQA and to satisfy the terms of the City's 2017 Settlement Agreement with the City of East Palo Alto. The analysis will be supported by the Transportation Impact Study and Housing Needs Assessment prepared by LSA and KMA, respectively. LSA will also utilize, to the maximum extent possible, information from the ConnectMenlo Final EIR for both the Initial Study and Focused EIR.

C. SCOPE OF WORK

LSA will undertake the following tasks, as identified in Table 1 on the following page, Work Program Outline, and described in greater detail below, for preparation of the EIR and Initial Study for the proposed project.

TASK A. PROJECT INITIATION

Project initiation will consist of several tasks, including attendance at a project start-up meeting, a site visit/field surveys, and data gathering and review. The project description for the EIR, which will also be used for the Notice of Preparation (NOP) and Initial Study will be prepared as part of project initiation subtasks.

1. Start Up Meeting/Site Visit

LSA’s Principal-in-Charge, Project Manager, and Principal Transportation Planner will attend a start-up meeting with City staff and the project sponsor team. It is assumed that this will be conducted via video or teleconference. At this meeting, the project team will discuss elements of the proposed project, the status of the development application, and various data needs.

LSA will also visit the project site to familiarize ourselves with existing conditions and site features. Photographs of the site and adjacent land uses will be obtained during the site visit.

2. Data Gathering and Evaluation

Existing data and analyses applicable to the project site and vicinity will be collected and evaluated. These include ConnectMenlo and its Final EIR, other background documents obtained from the City and/or the project sponsor, and applicable Menlo Park planning, policy, and environmental documents.

3. Notice of Preparation/Scoping Session

LSA will prepare a Notice of Preparation (NOP) in accordance with the requirements of CEQA. The NOP will include a project description, location map, conceptual project site plan, and a detailed description of the expected environmental topics to be covered in the Initial Study and EIR. It is assumed that the City will be responsible for distributing the NOP to the State Clearinghouse and that the City will circulate the NOP to the appropriate local, regional, State, and federal agencies, as well as additional distribution and posting consistent with City practices. Following the 30-day comment period, LSA will review all comments, distribute comments to members of the LSA team as necessary, and recommend any needed changes to the proposed work program (see Task A.5, below).

Table 1: Work Program Outline

<p>TASK A. PROJECT INITIATION</p> <ol style="list-style-type: none"> 1. Start-Up Meeting/Site Visit 2. Data Gathering and Review 3. Notice of Preparation/Scoping Session 4. Project Description 5. Work Program Refinement <p>TASK B. INITIAL STUDY</p> <ol style="list-style-type: none"> 1. Administrative Draft Initial Study 2. Screencheck Draft Initial Study 3. Public Review Draft Initial Study <p>TASK C. ENVIRONMENTAL IMPACT REPORT</p> <ol style="list-style-type: none"> 1. Setting and Impacts <ol style="list-style-type: none"> a. Population and Housing b. Transportation and Circulation c. Air Quality d. Greenhouse Gas Emissions e. Noise 2. Alternatives Analysis 3. Other CEQA Considerations 4. Administrative Draft EIR 5. Screencheck Draft EIR 6. Printcheck Draft EIR 7. Public Review Draft EIR <p>TASK D. RESPONSE TO COMMENTS DOCUMENT</p> <ol style="list-style-type: none"> 1. Administrative Draft RTC Document 2. Screencheck Draft RTC Document 3. Final RTC Document 4. Mitigation Monitoring and Reporting Program 5. Administrative Record <p>TASK E. PUBLIC HEARINGS AND MEETINGS</p> <p>TASK F. PROJECT MANAGEMENT</p>
--

Theresa Wallace and Matthew Wiswell will also be available to facilitate the public scoping session during the 30-day NOP comment period. As part of this public meeting, it is assumed that LSA will make a short presentation that outlines the project's environmental review requirements and process.

Following the scoping session, LSA will prepare a written summary of environmental issues raised at the session and submit it to City staff for review and comment. The NOP, along with the written comment letters received on the NOP, will be included as an Appendix to the Draft EIR.

4. Project Description

Based on the submitted site plans, technical studies completed for the proposed project, and consultation with City staff and the project team, LSA will draft a project description that includes all elements necessary to comply with CEQA, including, but not limited to, the purpose, phasing, and physical elements of the project, including building use, square footage, and height. The project description will include maps showing the existing buildings adjacent to the site, and the location and boundaries of the proposed project, as well as a written description of the existing uses so that the changes between existing and proposed uses can be identified. In addition, the project description will include a discussion of the background, objectives of the project, and construction phasing plan. The project description will describe the overall approval process for the project and identify all discretionary and anticipated subsequent approvals. All relevant agencies and reviewing bodies will also be identified.

Crafting an appropriately detailed and illustrated project description is often the single most time-consuming (as well as important) element of a CEQA review document. LSA will work closely with the City to ensure that the project description provides a level of detail appropriate for CEQA analysis. A draft project description will be submitted to the City and project sponsor for review and comment before the LSA team begins conducting any impact analyses.

It is assumed that refinements to the project description may be made throughout the duration of the environmental review process. These refinements will be reflected in the Initial Study and EIR Project Descriptions, as necessary. This scope and cost estimate assumes up to two rounds of review of revised site plans and corresponding revisions to the project description. It is assumed that the initial project description will identify the maximum development proposed for the site (i.e., maximum square footage for each use, building height, etc.) and that no revisions to technical analyses will be required as a result of any project refinements.

5. Work Program Refinement

It may be necessary to refine the work program in accordance with information compiled in the above subtasks. Upon receipt and review of all of the comments on the NOP and taking into consideration comments heard at the scoping session, LSA will work with City staff to refine the scope of work and budget, if necessary, to address any environmental issues that are not yet adequately addressed in this work program.

TASK B. INITIAL STUDY

An Initial Study will be prepared in accordance with CEQA and City guidelines; LSA will utilize the Environmental Checklist Form (Appendix G of the CEQA Guidelines) to focus-out environmental topics that do not warrant detailed analysis in the EIR. Where appropriate, the Initial Study will tier off of the analysis included in the ConnectMenlo Final EIR and will include a brief project description documenting existing conditions, project impacts for the checklist topics, resulting level of significance for each of the checklist topics, and applicable mitigation measures identified in the ConnectMenlo Final EIR or standard City conditions of approval.

Based on LSA's understanding of the ConnectMenlo Final EIR and 2017 Settlement Agreement, our recent experience with environmental review of other projects within the Bayfront area, and preliminary review of the proposed project and existing site conditions, LSA believes that the following environmental issue topics will require detailed review in the EIR: population and housing; transportation; air quality, greenhouse gas emissions; and operation-period traffic noise. These topics will therefore only be briefly addressed in the Initial Study. If the analysis in the Initial Study finds that the project would result in significant impacts to other aspects of the physical environment, these topics will also be incorporated into the EIR by way of Task A.5 (Work Program Refinement). The work program for the Initial Study is outlined below.

1. Administrative Draft Initial Study

LSA will prepare an Administrative Draft Initial Study with the following components, including figures to illustrate the project location and features:

- Project Description
- CEQA Appendix G Environmental Checklist Form
- Mandatory Findings of Significance
- Contacts and Bibliography

An electronic copy of the Administrative Draft Initial Study will be submitted to the City for review and comment. If desired by the City, LSA will schedule a conference call to discuss with the City the comments on the Administrative Draft.

The following topics are expected to be focused-out of the EIR and will be fully addressed in the Administrative Draft Initial Study.

a. Aesthetics. The proposed project would result in the demolition of three buildings containing industrial and R&D uses and construction of a four-story R&D building, five-story R&D building, and a six-story parking structure in a historically light industrial and commercial area of the City that is transitioning to a mix of residential, ground floor retail, and office uses. The aesthetics section will describe existing visual conditions in and around the project site as well as views to and from the surrounding area. Impacts of the proposed project on scenic vistas, scenic resources, and visual character will be described. This section will focus in particular on the project's height, massing, and orientation, as well as its relationship to surrounding uses and character.

b. Agriculture and Forestry Resources. The proposed project would not have any effect on agricultural or forestry resources, as these resources are not present on or adjacent to the project site. LSA will provide brief responses to the checklist questions for this topic.

c. Biological Resources. The project site is located in a developed area within the City of Menlo Park. Vegetation on or in the immediate vicinity of the project site is limited to ornamental landscaping, including mature eucalyptus trees. It is anticipated that the project sponsor would provide documentation related to the presence or absence of heritage trees on or within the immediate vicinity of the site that could be affected by the proposed development. The sponsor may also provide a biological resources assessment, if required by the City. LSA will review these reports and summarize the findings in the checklist responses. LSA will also reference the conclusions and analysis in the ConnectMenlo Final EIR, as appropriate.

d. Cultural Resources. The existing buildings on the site are likely over 50 years of age. However, the buildings do not appear to represent a distinctive association with important events or architectural trends. This scope is based on the assumption that the existing buildings on the site would be demolished and would not warrant additional study because based on the appearance, form, and construction history, the buildings do not reasonably have the potential to qualify as historical resources under CEQA. LSA will reference the City-required historical resources evaluation to be provided by the project sponsor, any additional information provided by City staff, and the ConnectMenlo EIR to confirm this assumption. In the event that this information is not available, LSA can conduct a historical resources evaluation for each individual building under a scope and budget adjustment.

LSA will provide brief responses to the checklist questions related to impacts on historical resources, archaeological resources, and human remains. Applicable mitigation measures identified in the ConnectMenlo Final EIR that address the potential for accidental discovery of previously unidentified resources will be referenced to support the conclusion that impacts to cultural resources would be less than significant.

e. Energy. LSA will evaluate the project's impacts related to energy use in response to the checklist questions. This discussion will address the project's compliance with applicable energy efficiency standards and will cross reference the discussion provided in the ConnectMenlo Final EIR. Energy data using the California Emissions Estimator Model (CalEEMod) will be reported.

f. Geology and Soils. This section will summarize the site's potential for geologic impacts using the information available in the soils report, a geotechnical report and/or Phase I Environmental Site Assessment (ESA) if they are available from the sponsor team, the ConnectMenlo EIR, and available information. This section will include a discussion of potential seismic impacts including fault rupture, seismic shaking, ground failure, and landslides; the maximum expected earthquake on nearby active faults that would likely cause very strong seismic groundshaking at the project site; potential geotechnical impacts including unstable soils; and potential impacts associated with slope instability. Potential impacts to paleontological resources or unique geologic features will also be addressed. Project compliance with standard geotechnical design measures and preparation of a design-level site-specific geotechnical report as identified in the ConnectMenlo Final EIR will be discussed.

g. Hazards and Hazardous Materials. LSA will summarize the available information on hazards and hazardous materials from the Phase I ESA, if available, and will address checklist questions related to hazardous materials and other hazards that could result from implementation of the proposed project. LSA will describe known and potentially hazardous materials issues in the project area and immediate vicinity based on information collected from available reports. Project compliance with standard regulations and General Plan policies as identified in the ConnectMenlo Final EIR will be discussed.

h. Hydrology and Water Quality. Development of the proposed project would alter existing drainage conditions on the project site including through the change in the amount and location of pervious and impervious surfaces. LSA will qualitatively evaluate potential impacts to hydrology and water quality and will respond to checklist questions related to water quality, groundwater resources, groundwater recharge, flooding, and erosion. The analysis will be based on the hydrology report and stormwater drainage plans provided by the project sponsor, C.3 stormwater requirements,, and discussions with City staff. Project compliance with standard regulations governing hydrology and water quality as identified in the ConnectMenlo Final EIR will be discussed.

i. Land Use and Planning. The proposed project would redevelop the site from an industrial use to R&D use. LSA will evaluate the project's compatibility with surrounding land uses and discuss the project's consistency with applicable land use policies and regulations included in the City's General Plan and Zoning Ordinance that could lead to significant physical impacts. An evaluation of the requested discretionary approvals will also be included in this section.

j. Mineral Resources. It is anticipated that the project will have no effect on mineral resources. LSA will provide brief responses to the checklist questions for this topic.

k. Noise (Construction Period). The ConnectMenlo Final EIR determined that all impacts related to construction noise could be reduced to a less-than-significant level through the implementation of mitigation measures. Therefore, construction-period noise and vibration will be qualitatively evaluated in the Initial Study. The project site is not located within the vicinity of any private or public airports, and this topic will also be briefly addressed.

l. Public Services. The proposed project is anticipated to be consistent with the development assumptions presented in the ConnectMenlo Final EIR and it is not expected that the proposed project would create increased demand for public services including fire service, police service, schools, libraries, and recreation, such that physical environmental impacts would occur. LSA will provide brief responses to the checklist questions for this topic and reference the conclusions and analysis presented in the ConnectMenlo Final EIR, including any applicable impact fees that may be required.

m. Recreation. The proposed project is anticipated to be consistent with the development assumptions presented in the ConnectMenlo Final EIR and it is not expected that the proposed project would create increased demand for park and recreational services. LSA will provide brief responses to the checklist questions for this topic and reference the conclusions and analysis

presented in the ConnectMenlo Final EIR. This section will also include a discussion of the open space and recreational facilities to be provided on site in compliance with City requirements.

n. Tribal Cultural Resources. To comply with Assembly Bill 52 requirements, LSA will prepare a draft Tribal Notification for the project, which includes the Notification Regarding Tribal Cultural Resources and CEQA letter and full project description for City review. The City will be responsible for distributing the final notice and project description to the tribal distribution list. Assembly Bill 52 provides a period of 30 calendar days in which to request consultation. Should the City require more formal consultation assistance pursuant to Assembly Bill 52, LSA can assist with this task as necessary and may request a portion of the contingency amount to complete this task. LSA anticipates the results of the consultation process will be summarized in the Initial Study checklist for this topic, but understands this topic may need to be addressed in the EIR, depending on the timing and results of the consultation process. LSA will prepare the draft Tribal Notification letters for the City to review and issue upon project initiation and completion of a stable project description.

o. Utilities and Service Systems. LSA will evaluate the proposed project's potential effects on utility and service systems. LSA will describe the existing utility systems serving the project area and work with City staff and private utility companies to determine if the proposed project would require an expansion of existing infrastructure or facilities. This analysis will include relevant information from the ConnectMenlo Final EIR, as appropriate.

p. Wildfire. The project site is located in an urban area. Impacts associated with wildfire hazards and implementation of emergency response/evacuation plans are not anticipated; therefore, LSA will provide brief responses to the checklist questions for this topic.

2. Screencheck Draft Initial Study

LSA will amend the Administrative Draft Initial Study based on a single set of consolidated non-contradictory comments provided to LSA by City staff. At this time, based on the preliminary analysis included in the Administrative Draft Initial Study, LSA and City staff will confirm the topics to be focused out of the EIR analysis and determine if any changes to the proposed work program are warranted.

A digital version of the Screencheck Draft Initial Study will be provided to the City to verify that all requested changes have been made and all appendix materials, references, and final graphics are acceptable. We have allotted time for responding to changes; however, if this task exceeds the cost allotted in the budget due to changes in project description or requests for additional analysis that are not necessary to prepare a legally-adequate document, a budget adjustment may be required.

3. Public Review Draft Initial Study

Final changes to the Screencheck Draft Initial Study will be made based on minor comments from the City. Up to 15 paper copies as well as an electronic version of the Initial Study will be provided to the City. The Initial Study would be circulated with the NOP (refer to Task A.3).

TASK C. ENVIRONMENTAL IMPACT REPORT

Based on the City's 2017 Settlement Agreement with the City of East Palo Alto and LSA's review of the ConnectMenlo Final EIR and preliminary review of the proposed project and existing site conditions, LSA believes that the following environmental issue topics will require detailed review in the EIR: population and housing; transportation; air quality; greenhouse gas emissions, and operation-period traffic noise. The work program for the EIR is outlined below.

1. Setting and Impacts

The setting and impacts documentation for each of the issue areas described below will be incorporated into the EIR. This analysis will clearly describe the affected environment and the environmental consequences of implementation of the proposed project. The agreed upon significance thresholds will be clearly stated within each section and will be used to determine impacts. Where relevant, impacts will be separately identified by their occurrence during either the construction or operations periods. Feasible mitigation measures (as well as the residual impacts or effects of each measure) will be identified. Cumulative impacts will also be addressed.

a. Population and Housing. The proposed project would result in the development of commercial uses on an infill site within the City, which was evaluated in the ConnectMenlo Final EIR. The existing demographics of the project area and its vicinity will be identified and described based on the most current data available, including the General Plan, Census data, and the Association of Bay Area Governments (ABAG) Plan Bay Area. KMA will prepare a Housing Needs Assessment, which will form the basis of the analysis in this section of the EIR. KMA's scope of work for the Housing Needs Assessment is included as an attachment to this proposal. LSA will assess the population, employment and housing impacts that would be created by the proposed project relative to the conclusions and analysis presented in the ConnectMenlo Final EIR and the Housing Needs Assessment.

b. Transportation and Circulation. LSA will prepare the transportation impact analysis (TIA) and Transportation section of the EIR for the proposed project, consistent with the requirements and provisions of the City's Transportation Impact Analysis Guidelines, the City's Transportation Demand Management (TDM) Program Guidelines (including City Municipal Code Section 16.45.090), the City/County Association of Governments of San Mateo County (C/CAG) Congestion Management Program (CMP), the California Department of Transportation (Caltrans), and CEQA. The primary objective of the transportation analysis will be to determine the potential for significant impacts to the adjacent circulation system resulting from the proposed project.

The following presents the tasks that will be necessary to complete the TIA for the project.

Task 1: Coordination and Scoping. LSA transportation staff will attend the project kick-off meeting (video/conference call) with City Planning and Public Works Department staff to confirm the scope of work for the TIA. This will include confirmation of the project description (and receipt of the site plan), verification of specific analysis methodologies and assumptions (including the vehicle miles traveled [VMT] analysis), determination of trip generation (including trip credits, reductions, and TDM measures) and distribution, identification of future traffic conditions (i.e., approved and pending projects and/or volume development protocols, including near-term and cumulative

assumptions), and discussion of specific concerns regarding the project and/or study area. This task includes ongoing coordination and/or conference calls with the City Planning and/or Public Works Departments throughout the duration of this project. Based on this input from the City, refinements to this scope of work and budget estimate may occur in order to meet the objectives of the project.

Task 2: Data Collection. This task will include collection of data to inform the analysis as described below. The TIA will include analysis of the following five scenarios:

- Existing (2022)
- Near-Term (Existing plus approved projects)
- Near-Term Plus Project
- Cumulative (including all future potential development by year 2040)
- Cumulative Plus Project

For purposes of this scope and budget, it is assumed that the TIA will evaluate up to 12 study area intersections and 2 roadway segments. Based on preliminary trip estimates conducted by LSA, the proposed project is anticipated to generate more than 100 net new peak-hour trips. As such, a CMP roadway analysis would be required. The following intersections and roadway segments have been preliminarily identified based on transportation analyses currently being conducted for similar projects within the Bayfront area and the draft TIA scope of work provided by the City:

Study Area Intersections

1. Willow Road and Bayfront Expressway (Menlo Park)
2. Willow Road and Hamilton Avenue (Menlo Park)
3. Willow Road and Ivy Drive (Menlo Park)
4. Willow Road and O'Brien Drive (Menlo Park)
5. Willow Road and Newbridge Street (Menlo Park)
6. Willow Road and US-101 Northbound Ramps (Caltrans)
7. Willow Road and US-101 Southbound Ramps (Caltrans)
8. O'Brien Drive and Kavanaugh Drive (Menlo Park)
9. University Avenue and Bayfront Expressway (East Palo Alto)
10. University Avenue and Adams Drive (East Palo Alto)
11. University Avenue and O'Brien Drive (East Palo Alto)
12. University Avenue and Kavanaugh Drive (East Palo Alto)

Study Area Roadway Segments

1. O'Brien Drive between Willow Road and Kavanaugh Drive
2. O'Brien Drive between University Avenue and Kavanaugh Drive

The following information will need to be collected prior to preparation of the TIA in order to establish a baseline and evaluate the project impacts for each of the analysis scenarios.

Existing Conditions. LSA will request existing intersection turn-movement counts at up to 12 intersections in the AM peak hour (7:00 to 10:00 a.m.) and the PM peak hour (4:00 to 7:00 p.m.) from the City.

LSA will determine geometric and traffic control data at the study area intersections, pedestrian and bicycle facilities and amenities in the project vicinity, and local transit service and bus stops. LSA will also identify potential access issues or constraints.

Optional Task. As an optional task, LSA would work with the City to collect new peak hour intersection (7:00 am to 10:00 am and 4:00 p.m. to 7:00 p.m.) and 24-hour roadway segment counts. LSA will discuss with the City whether any driveway counts are necessary to identify the existing site trip generation for trip credit purposes. LSA will not collect any counts without prior approval of the collection date from the City.

Software Files. LSA will utilize the existing VISTRO files from the recent Menlo Flats project. LSA will coordinate with the City on any required updates.

Future Traffic Conditions. Although the approved and pending projects are assumed to be included in the City's VISTRO files, LSA will confirm with the City if any additional approved and pending projects should to be included in the near-term and cumulative conditions and will request the approved and pending projects traffic volumes and/or their studies in order to develop near-term baseline traffic volumes. If these volumes or documents are not available, LSA staff will assign approved project trips to the study area circulation network using the "manual method" of trip assignment. LSA will also request approved and pending project lists (and traffic volumes and/or studies) from the City of Redwood City, the City of East Palo Alto, and the Town of Atherton. This scope and budget includes the manual trip assignment of up to six total approved and pending projects. LSA will revise the near-term and cumulative VISTRO files as needed.

Circulation Improvements. LSA will request information from the City Public Works Department regarding any planned, programmed, and/or funded circulation improvements (i.e., Capital Improvement Projects) in the project area. LSA will determine the timing and implementation of any planned/funded improvements at the study area locations. Only those circulation improvements that are completed and open to traffic will be included for the near-term and cumulative horizons. This information will establish the circulation network assumptions and help determine appropriate project mitigation (if necessary) during each analysis condition. LSA will incorporate any assumed circulation improvements in the VISTRO files as needed.

Task 3: Baseline Traffic Conditions. The following tasks will be completed to establish baseline traffic conditions for the TIA.

Existing Conditions. Existing AM and PM peak-hour traffic conditions and intersection levels of service (LOS) will be assessed using the City-approved *Highway Capacity Manual, 6th Edition (HCM 6)* methodology. A signal warrant analysis will be conducted for any unsignalized intersection that exceeds satisfactory LOS.

Existing transit, bicycle, and pedestrian infrastructure and service will also be described and included in the existing setting analysis.

Near-Term Conditions. Near-term baseline traffic volumes will be developed based on existing counts and approved. LOS at the study area locations will be identified for this baseline condition. A signal warrant analysis will be conducted for any unsignalized intersection that exceeds satisfactory LOS.

Cumulative Conditions. Cumulative baseline traffic volumes will be developed based on traffic projections represented by year 2040. This condition will include all approved, pending, and reasonably foreseeable projects. As previously described, the cumulative conditions and VISTRO files will be provided by the City, but LSA will update as needed based on coordination with City staff. LOS at the study area locations will be identified for this baseline condition. A signal warrant analysis will be conducted for any unsignalized intersection that exceeds satisfactory LOS.

Task 4: Project Trip Generation, Distribution, and Assignment and TDM. LSA will generate AM peak-hour, PM peak-hour, and daily (average daily traffic) trips for the proposed project using trip generation rates from the latest Institute of Transportation Engineers (ITE) Trip Generation Manual (11th Edition). LSA will discuss with City staff the application of any trip reduction credits based on the type and/or mix of uses proposed on site. Trip reduction for internal capture and/or pass-by trips (if any) will be referenced from the ITE Trip Generation Handbook (3rd Edition).

In accordance with City Municipal Code Section 16.45.090, this project sponsor is required to develop a TDM plan to reduce at least 20 percent of net new vehicular trips. LSA will conduct a peer review of the project sponsor's proposed TDM plan for consistency and compliance with the City's TDM Program Guidelines, the City's TIA Guidelines, and the California Air Pollution Control Officers Association (CAPCOA) Quantifying Greenhouse Gas Mitigation Measures (August 2010), as appropriate, to verify and identify appropriate TDM measures and the potential number of trips credited to this project with the intent of meeting the minimum trip reduction goal of 20 percent. The project trip generation will be reduced accordingly for purposes of the project impact assessment.

Project-related trips (with assumed TDM measures) will be distributed through the study area locations based on expected travel patterns between the project and local and regional destinations. The resulting project trip assignment will be overlaid onto the opening baseline traffic base to determine the plus project traffic conditions.

The project trip generation, distribution, and assignment and TDM will be reviewed and approved by City staff prior to preparation of the VMT and LOS analyses.

Task 5: Project Impact Assessment. The following tasks will be completed to assess the effects of the proposed project based on the City's intersection LOS criteria. Note that level of service impacts will be provided in the context of compliance with applicable planning documents and local regulations, as directed by the Menlo Park City Council, and are not considered impacts under CEQA.

Near-Term Plus Project Conditions. LSA will analyze the Near-Term Plus Project traffic conditions at the study area locations to determine the ability of the circulation system to provide acceptable LOS when the project is added to the near-term horizon. The resulting forecast traffic volumes will be examined to determine peak-hour intersection LOS. A signal warrant analysis will be conducted for any unsignalized intersection that exceeds satisfactory LOS. Project impacts will be identified based

on existing intersection and roadway geometrics as well as any circulation improvements assumed during this time frame. The City's performance thresholds will be used to determine project impacts.

Cumulative Plus Project Conditions. LSA will analyze the Cumulative Plus Project conditions at the study area locations to determine the ability of the circulation system to provide acceptable LOS when the project is added to this long-range horizon. The resulting forecast traffic volumes will be examined to determine peak-hour intersection LOS. A signal warrant analysis will be conducted for any unsignalized intersection that exceeds satisfactory LOS. Project impacts will be identified based on all planned, programmed, and/or funded circulation improvements. The City's performance thresholds will be used to determine project impacts.

Task 6: Site Plan Analysis. A review and analysis of site access and on-site circulation will be performed based on the proposed site plan and the trip generation identified in subtask 4. LSA will review project volumes, turn movements, queueing, traffic controls, and sight distance at the project access points to determine the adequacy of the interface with the arterial street system. LSA will also review the City's off-street parking requirements and compare with the proposed on-site parking supply.

Task 7: VMT Analysis. Based on coordination with the City and consistent with the City's VMT guidelines, LSA will prepare a VMT analysis to disclose the existing VMT within the geographical area, as well as the potential VMT generated with the project for each independent land use proposed by the project. LSA will coordinate with the City to identify the source (i.e., traffic model) for obtaining existing VMT and average trip length data for the City. Total VMT will be requested for both local (project-specific traffic analysis zone [TAZ]) and regional areas. LSA will calculate total VMT for the project using the average trip lengths identified by and approved for the City. If necessary, LSA will develop average trip lengths based on origins/destinations and routes to/from the project site. LSA will prepare a summary of the existing VMT in the local/regional vicinity of the project obtained from the City, as well as the VMT projections with the project, in the TIA.

Task 8: Recommendations and Mitigation Measures. Based on the results of Tasks 5–7, recommendations and mitigation measures will be proposed to address deficiencies and impacts created by the project (if any) in the near-term and cumulative conditions. Recommendations and mitigation measures could include TDM measures, intersection turn lanes, traffic signal installation or modification, local street striping and channelization improvements, and signage, etc. Any capacity improvement that could induce travel demand (i.e., additional through lane at an intersection or roadway) may require preparation of a separate VMT analysis and additional budget.

Optional Task. Once the extent of the recommended physical improvements is identified (i.e., total number of intersections and/or roadways requiring improvements) LSA will submit a contract modification to prepare the conceptual design(s) and cost estimate(s) for such improvements. As such, the cost for these services, which cannot be determined until the recommended improvements are identified, is not included in this scope of work.

Task 9: Preparation of the Transportation Section of the EIR. The TIA and Transportation section of the EIR will discuss the Existing, Near-Term, Near-Term Plus Project, Cumulative, and Cumulative Plus Project conditions. Identification of TDM, intersection, roadway, and on-site improvements required to accommodate project development will be provided. LSA will participate on up to three

conference calls with the City and project team as part of coordination and preparation of the TIA and/or the Transportation section of the EIR. As noted in Task E, Public Hearings and Meetings, and consistent with the draft TIA scope of work provided by the City, LSA Transportation staff will attend up to two meetings with City staff and two public hearings.

c. Air Quality. Development activity associated with implementation of the proposed project could increase pollutant concentrations in Menlo Park through increased vehicle trips and construction activities. LSA will conduct an air quality analysis consistent with the current BAAQMD CEQA Guidelines in compliance with the ConnectMenlo EIR's Mitigation Measures AQ-2a and AQ-2b2. The air quality analysis for the project will compare the impacts of the project to those identified in the ConnectMenlo Final EIR and discuss whether or not any new or more severe impacts would occur. The analysis will include the following components: (1) assessment of baseline air quality in the area based on data from the BAAQMD and California Air Resources Board (CARB); (2) quantitative assessment of project construction and operational impacts using the California Emissions Estimator Model (CalEEMod) (where possible, construction details, such as duration of construction period and equipment used, should be provided to LSA - otherwise default model assumptions will be utilized); (3) quantitative assessment of project construction health risk impacts, including a construction health risk assessment (HRA) due to the proximity of surrounding sensitive receptors, including the Mid-Peninsula High School); and, (4) recommendation of mitigation measures consistent with the BAAQMD guidelines, if necessary, including measures that would be capable of reducing any potential cancer and non-cancer risks to sensitive receptors to an acceptable level. Potential impacts associated with other emission sources, including odors, will be scoped out of the analysis in the Initial Study.

d. Greenhouse Gas Emissions. The transportation evaluation that will be prepared for the proposed project could indicate that more significant impacts related to transportation, and therefore GHGs, could occur with implementation of the proposed project, as compared to the impacts identified in the ConnectMenlo Final EIR. Therefore, LSA will evaluate the project's impacts on global climate change in the Focused EIR, consistent with the requirements of the BAAQMD. The thresholds set by the BAAQMD were calculated to achieve the State's 2020 target for greenhouse gas emissions levels (and not the Senate Bill [SB] 32 specified target of 40 percent below the 1990 greenhouse gas emissions level). Because the project would begin operations in the post-2020 timeframe, the BAAQMD's thresholds would not apply. Therefore, LSA will work with the City to develop the most appropriate significance thresholds before proceeding with the analysis.

LSA will provide a quantitative assessment of greenhouse gas emissions associated with all relevant sources related to the project for which project data are available, including construction activities using emissions model CalEEMod. LSA will also provide a qualitative assessment of the project's consistency with relevant plans and regulations, including the City of Menlo Park's Climate Action Plan.

e. Noise (Operation-Period). The transportation evaluation that will be prepared for the proposed project could indicate that more significant impacts related to transportation, and therefore transportation-related noise, could occur with implementation of the proposed project, as compared to the impacts identified in the ConnectMenlo Final EIR. Therefore, LSA will prepare a noise analysis for the proposed project as part of the Focused EIR. The noise analysis will include the

following components: 1) a description of the regulatory framework for noise based on City of Menlo Park General Plan standards and the Municipal Code noise ordinance; 2) quantitative description of existing noise conditions in and around the project site based on one long-term and up to four short-term noise measurements; 3) quantitative assessment of noise impacts on sensitive receptors related to project operation; 4) noise compatibility assessment based on the location of the project in relation to roadway noise based on the noise monitoring results; and 5) preparation of mitigation measures consistent with best practices. LSA will determine if upgraded window and wall assemblies are necessary to meet interior noise standards.

2. Alternatives

The LSA team will identify and evaluate up to four alternatives to the proposed project, one of which will be the CEQA-required No Project alternative. The three other alternatives will be developed in consultation with the City. The development and selection of alternatives will be informed by the input received in response to the NOP, as well as any significant impacts of the project that are identified in the Draft EIR.

According to the CEQA Guidelines, alternatives may be evaluated in less detail than the project; however, it is assumed that quantitative analysis for the topics of transportation, air quality, greenhouse gas emissions, and noise would be undertaken to compare the impacts of each alternative to those identified for the proposed project. Alternatives can be a key issue of community concern. Therefore, the discussion will be of sufficient detail to evaluate the benefits and drawbacks of each alternative, and to provide conclusions regarding the alternatives. Based on this analysis, the Environmentally Superior Alternative will be identified (as required by CEQA).

3. Other CEQA Considerations

LSA will prepare the appropriate conclusions to fulfill CEQA requirements by providing an assessment of several mandatory impact categories, based on the conclusions and analysis presented in the ConnectMenlo Final EIR and Tasks B and C.1 as discussed above, including:

- Growth inducement;
- Significant effects that cannot be avoided if the proposed project is implemented;
- Significant irreversible environmental changes if the proposed project is implemented; and
- Effects found not to be significant.

The Effects Found Not to be Significant discussion will summarize the findings of the Initial Study.

4. Administrative Draft EIR

The information developed above will be organized into an Administrative Draft EIR. The EIR will include the following components: Title/Cover Page; Table of Contents; Introduction; Executive Summary; Project Description; Setting, Impacts, and Mitigation Measures; Other CEQA Considerations; Alternatives to the Proposed Project; List of Report Preparers; List of Persons and Organizations Contacted; Bibliography; and Technical Appendices (as needed).

Electronic versions of the Administrative Draft EIR (with appendices) in Word and PDF format will be submitted to City staff for distribution, review, and comment. LSA will discuss comments on the Administrative Draft EIR with the City over the phone or in person.

5. Screencheck Draft EIR

LSA will amend the Administrative Draft EIR based on a single set of consolidated non-contradictory comments provided by the City. We have allotted time for responding to changes; however, if this task exceeds the cost allotted in the budget due to changes in project description or requests for additional analysis that are not necessary to prepare a legally-adequate document, a budget adjustment may be required.

Electronic versions of the Administrative Draft will be provided for review by City staff to verify that all requested changes have been made. LSA will also provide a compare version of the Screencheck Draft. This version will show text changes made to the Administrative Draft EIR in underline and strikeout for the City to more easily confirm that all comments and edits are fully incorporated into the Screencheck Draft.

6. Printcheck Draft EIR

LSA will amend the Screencheck Draft EIR based on a single set of consolidated non-contradictory comments provided by the City. Electronic versions of the Printcheck Draft will be provided for review by City staff to verify that all requested changes have been made. LSA will also provide a compare version of the Printcheck Draft. This version will show text changes made to the Screencheck Draft EIR in underline and strikeout for the City to more easily confirm that all comments and edits are fully incorporated into the Printcheck Draft.

7. Public Review Draft EIR

LSA will make any minor necessary revisions to the Printcheck Draft EIR and prepare the public review Draft EIR. An electronic version of the document in PDF format will be prepared for City distribution and posting on the City website. In addition, up to 15 paper copies will be provided. LSA will prepare a Notice of Completion, in accordance with the CEQA Guidelines, and coordinate with the City to distribute the Draft EIR pursuant to CEQA and City review procedures. LSA will be responsible for uploading the NOC and Summary Form for Document Submittal to the State Clearinghouse.

TASK D. RESPONSE TO COMMENTS DOCUMENT AND FINAL EIR

After the 45-day public review period, and prior to hearings for certification of the EIR, LSA will prepare a Response to Comments (RTC) Document. The Draft EIR and the RTC Document together constitute the Final EIR. As part of this task, LSA will also prepare a Mitigation Monitoring and Reporting Program (MMRP) and the Administrative Record for the EIR.

1. Administrative Draft RTC Document

The LSA team will formulate responses to comments received on the Draft EIR, including written comments received from the public and agencies, and prepare an Administrative Draft RTC Document. Included in this document will be: 1) a list of persons, organizations, and public agencies commenting on the Draft EIR; 2) copies of all written comments, and the responses to these comments; 3) written comments and any verbal comments received at a public hearing and responses to these comments; and 4) any necessary revisions to the Draft EIR. The budget estimate in Table 3 shows the level of professional effort assumed for this task. Should an unexpectedly large volume of comments be submitted (e.g., an organized letter-writing campaign by anti-development advocates or a substantial package of comments by a law firm representing union interests), an adjustment in the budget to cover work beyond the assumed level would be needed.

Electronic versions of the Administrative Draft RTC Document in Microsoft Word and PDF format will be submitted to City staff for distribution, review and comment. LSA will discuss comments on the Administrative Draft RTC Document with the City over the phone or in person.

2. Screencheck Draft RTC Document

Working from a single set of consolidated and non-contradictory comments, LSA will amend the Administrative Draft RTC Document and prepare a Screencheck version. Digital files of the clean and compare versions of the Screencheck Draft of the RTC Document will be provided to verify that all changes have been made. The compare version will show text changes made to the Administrative Draft RTC Document in underline and strikeout for the City to more easily confirm that all comments and edits are fully incorporated into the Screencheck Draft.

3. Final RTC Document

Upon successful completion and approval of the Screencheck Draft RTC Document, LSA will provide an electronic version of the RTC Document for public distribution and submittal to the City. LSA will provide a draft Notice of Determination (NOD) for the City to file with the County Clerk upon certification of the EIR. In addition, up to 15 paper copies will be provided.

4. Mitigation Monitoring and Reporting Program

LSA will prepare a Mitigation Monitoring and Reporting Program (MMRP) for the project and will identify responsibility for implementing and monitoring each mitigation measure, along with monitoring triggers and reporting frequency, subject to approval by City staff. LSA will also work closely with City staff to ensure the program is prepared in a format that will be easy for staff to implement and be tailored to the City's procedures.

5. Findings of Fact and Statement of Overriding Considerations

LSA will prepare a draft of the Findings of Fact and a Statement of Overriding Considerations for use by the City. The Findings will include the following: a record of proceedings for the City's decision on the project; a summary description of the project; identification of potentially significant effects of the project which were determined to be mitigated to a less-than-significant level; identification of the project's potential environmental effects that were determined not to be significant, and do not

require mitigation; cumulative effects; feasibility of project alternatives; and the City's Statement of Overriding Considerations (if significant unavoidable impacts are identified).

6. Administrative Record

LSA will compile the Administrative Record related to preparation of the CEQA documents and provide the appropriate documentation in electronic format to the City as part of the Final EIR.

TASK E. PUBLIC HEARINGS AND MEETINGS

LSA's Principal in Charge (Theresa Wallace) and Project Manager (Matthew Wiswell) will be available to attend working sessions with Planning staff to gather information, review progress, arrive at a reasonable range of alternatives, review preliminary findings, discuss staff comments, and offer input into discussions on the proposed project. The proposed cost estimate includes attendance by both Theresa and Matthew at the project start-up meeting and the EIR scoping session, as detailed above under Task A. In addition, we have budgeted (under this task) for attendance at up to four meetings and/or public hearings with City staff and/or the project team. LSA Transportation staff will also attend up to two public hearings and will be available to attend up to three conference calls with City staff. Attendance at additional meetings or hearings would be billed on a time and materials basis at the rates shown in Table 3.

TASK F. PROJECT MANAGEMENT

Theresa will provide input on the scope, budget, contract negotiations and management, and scheduling of the project, and will be responsible for the overall quality of all work undertaken. She will be available for consultation on CEQA procedural matters as well as application of the CEQA Guidelines to this project.

Matthew will coordinate the day-to-day activities associated with the project, including regular client contact, oversight of subconsultants and team members, schedule coordination, and development of products. Matthew will also provide direction to all team members that will ensure an internally-consistent, coherent document. Both Theresa and Matthew will review all subconsultant submittals and in-house prepared text, tables, and graphics before these materials are presented to the City as administrative review documents.

D. SCHEDULE

The proposed preliminary schedule for this scope of work is shown in Table 2. The schedule assumes a start date of March 4, 2022 but could be adjusted if an earlier or later start date is anticipated. It is assumed that the transportation impact analysis will commence when the NOP is published, per standard City practice, and that the Administrative Draft EIR will be submitted to the City approximately 6 weeks after the close of the NOP comment period.

Table 2: Proposed Preliminary Schedule

Milestone	Responsible Party	Duration	Dates
Authorization to Proceed	City	--	Mar 4, 2022
Draft Project Description and Initiation Tasks	LSA	2 weeks	Mar 18, 2022
Review Project Description/Provide Requested Info Needs	City/Sponsor	4 weeks	Apr 15, 2022
Prepare Administrative Draft Initial Study	LSA	4 weeks	May 13, 2022
Review Administrative Draft Initial Study	City	3 weeks	June 3, 2022
Prepare Screencheck Draft Initial Study/ Draft NOP	LSA	1 week	June 10, 2022
Review Screencheck Draft Initial Study/Draft NOP	City	2 weeks	June 24, 2022
Prepare and Publish Notice of Preparation/Initial Study	City/LSA	1 week	July 1, 2022
<i>NOP Scoping Meeting</i>	<i>City/LSA</i>	--	<i>TBD</i>
Close of Notice of Preparation Comment Period	--	30 days	Aug 1, 2022
Prepare Draft Housing Needs Assessment	KMA	8 weeks	July 18, 2022
Prepare Administrative Draft EIR	LSA	6 weeks	Aug 12, 2022
Review Administrative Draft EIR	City	3 weeks	Sep 2, 2022
Prepare Screencheck Draft EIR	LSA	2 weeks	Sep 16, 2022
Review Screencheck Draft EIR	City	2 weeks	Sep 30, 2022
Prepare and Publish Draft EIR	LSA	1 week	Oct 7, 2022
<i>DEIR Public Comment Meeting</i>	<i>City</i>	--	<i>TBD</i>
Close of Public Review Period	--	45 days	Nov 21, 2022
Prepare Administrative Draft RTC Document	LSA	3 weeks	Dec 12, 2022
Review Administrative Draft RTC Document	City	2 weeks	Dec 26, 2022
Prepare Screencheck Draft RTC Document and MMRP	LSA	1 week	Jan 2, 2023
Review Screencheck Draft RTC Document and MMRP	City	2 weeks	Jan 16, 2023
Prepare and Reproduce Final RTC Document and MMRP	LSA	1 week	Jan 23, 2023
<i>Final EIR Certification Hearing</i>	<i>City/LSA</i>	<i>>10 days</i>	<i>TBD</i>

E. COST ESTIMATE

For completion of the scope of work set forth in this proposal and accomplished according to the preliminary proposed schedule outlined above, which assumes an approximately one year project duration, LSA proposes a total budget of \$167,400. We have included a 5 percent contingency amount of \$8,400, which would not be used without written authorization from the City. With the contingency amount, the total budget would be \$175,800. A detailed breakdown of the budget is included in Table 3. This scope of work and cost estimate is valid for 90 days.

As is always the case, we welcome the opportunity to work with you to revise the scope, schedule and/or budget to better meet your needs. We appreciate the opportunity to submit this proposal, and look forward to continuing to work with the City. If you have any questions regarding this proposal, please contact Matthew Wiswell at (510) 236-6810 or contact us by email at matthew.wiswell@lsa.net.

Sincerely,

LSA ASSOCIATES, INC.



Theresa Wallace, AICP
Principal



Matthew Wiswell, AICP
Project Manager

- Attachment 1: LSA Statement of Qualifications
- Attachment 2: LSA's Diversity, Equity, and Inclusion Policies and Programs
- Attachment 3: Keyser Marston Scope of Work

Table 3: Cost Estimate for the Proposed 1005 O'Brien Project

LABOR COSTS											
	LSA Associates, Inc.										
	Principal-in-Charge (Wallace)	Planner/Project Manager (Wiswell)	Principal, AQ/GHG/Noise (Fischer)	Air Quality/Noise Specialist (Staff)	Air Quality/Noise Planner (Carlucci)	Principal Transportation Engineer (Mukherjee)	Principal Transportation Planner (Arizabal)	Transportation Planner (Delparastaran)	Document Management (Staff)	Graphics and Production (Staff)	LSA Total
Hourly Rate:	\$245	\$120	\$240	\$140	\$140	\$220	\$195	\$150	\$115	\$125	
Task A. Project Initiation											
(1) Start-Up Meeting/Site Visit	1	6					2				\$1,355
(2) Data Gathering and Review		2									\$240
(3) Notice of Preparation/Scoping Session	6	8								1	\$2,555
(4) Project Description	4	16							2	4	\$3,630
(5) Work Program Refinement	1	1									\$365
Subtotal for Task A	12	33	0	0	0	0	2	0	2	5	\$8,145
Task B. Initial Study											
(1) Administrative Draft Initial Study	6	26	1		8				4	4	\$6,910
(2) Screencheck Draft Initial Study	2	6							2	2	\$1,690
(3) Public Review Draft Initial Study	2	4							2	2	\$1,450
Subtotal for Task B	10	36	1	0	8	0	0	0	8	8	\$10,050
Task C. Environmental Impact Report											
(1) Setting and Impacts	1	2									\$485
(a) Population and Housing	2	12							2		\$2,160
(b) Transportation and Circulation	6	8				12	64	160	10	14	\$44,450
(c) Air Quality	2	4	8	16	30				1		\$9,445
(d) Greenhouse Gas Emissions	2	4	4		24				1		\$5,405
(e) Noise	1	4	6	8	36				1	1	\$8,565
(2) Alternatives Analysis	4	12	4	2	4	1	2	4	1		\$5,545
(3) Other CEQA Considerations	1	6									\$965
(4) Administrative Draft EIR	8	6							4	4	\$3,640
(5) Screencheck Draft EIR	6	12	2	1	2	2	8		4	2	\$6,520
(6) Printcheck Draft EIR	2	4	2	1	2	2	2		2	2	\$3,180
(7) Public Review Draft EIR	2	6							4	6	\$2,420
Subtotal for Task C	37	80	26	28	98	17	76	164	30	29	\$92,780
Task D. Response to Comments Document											
(1) Administrative Draft RTC Document	8	12	2		6	1	16		4	4	\$9,020
(2) Screencheck Draft RTC Document	4	6	1						2	2	\$2,420
(3) Final RTC Document	2	4							2	4	\$1,700
(4) Mitigation Monitoring and Reporting Program	1	1							2		\$595
(5) Findings of Fact and Statement of Overriding Considerations	4	8									\$1,940
(6) Administrative Record		2								1	\$365
Subtotal for Task D	19	33	3	0	6	1	16	0	10	11	\$16,040
Task E. Public Hearings and Meetings											
Subtotal for Task E	16	20	0	0	0	1	16	2	0	0	\$9,960
Task F. Project Management											
Subtotal for Task F	6	24	0	0	0	0	0	0	0	0	\$4,350
TOTAL LABOR	100	226	30	28	112	19	110	166	50	53	\$141,325
DIRECT COSTS											
(1) Travel, Deliveries, Communication, Equipment											\$1,000
(2) Printing and Graphic Reproduction											\$2,500
(3) Keyser Marston Associates - Housing Needs Assessment											\$21,500
(4) Subconsultant Markup Fee of 5 Percent											\$1,075
TOTAL DIRECT COSTS											\$26,075
TOTAL LSA TEAM BUDGET											
TOTAL LSA TEAM BUDGET (WITHOUT CONTINGENCY)											\$167,400
CONTINGENCY FUNDS											
CONTINGENCY AT 5 PERCENT											\$8,400
TOTAL LSA TEAM BUDGET WITH CONTINGENCY											
TOTAL LSA TEAM BUDGET (WITH CONTINGENCY)											\$175,800

ATTACHMENT 1

LSA Statement of Qualifications

LSA STATEMENT OF QUALIFICATIONS



LSA serves as a “one-stop” choice for documentation in compliance with CEQA. We are thoroughly familiar with the processes, procedures, and technical requirements of all aspects of the environmental review process. LSA has also prepared numerous documents to satisfy the requirements of specific regulatory agencies. This expertise includes coordination with local, State, federal, and other governmental agencies in preparing and processing environmental documents and technical studies, managing public participation programs, issuing necessary legal notices, and incorporating each document into the relevant planning process. LSA’s project managers employ innovative environmental review approaches steeped in an intimate understanding of CEQA, the State CEQA Guidelines, and CEQA case law to avoid redundant environmental review.

LSA has prepared thousands of EIRs, Supplemental EIRs, ISs, Environmental Assessments, Addendums, Negative Declarations (NDs), MNDs, and Environmental Impact Statements (EISs). LSA, and the project management team for this assignment in particular, has successfully completed numerous environmental review documents under contract to lead agencies for a wide range of commercial, office, and residential redevelopment projects on underutilized sites in urban and suburban areas and on greenfield sites throughout the Bay Area and beyond.

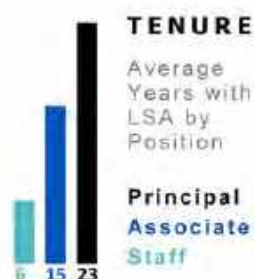
Many of our planners are **certified by the American Institute of Certified Planners** and are active members of the American Planning Association and Association of Environmental Professionals.

With respect to ongoing education, LSA staff maintains and supplements our knowledge, understanding, and technical expertise in the application of CEQA by regularly attending workshops on recent court outcomes and legislative amendments. Additionally, we regularly work with land use and CEQA attorneys who provide us with specific suggestions as to how the most recent case law

LSA’s Expertise with Environmental Documents Includes the Following:

- Environmental Impact Reports (EIRs)
- Initial Study/Mitigated Negative Declarations (IS/MNDs)
- Initial Studies (ISs)
- Categorical Exemptions (CEs)
- Mitigation Monitoring and Reporting Program (MMRP)
- Various environmental technical reports including air quality, noise, water quality, biology, and cultural resources

LSA has a successful track record of preparing environmental documents that are technically sound and legally robust as well as innovative and solution-oriented.



LSA’s Key Strengths:

- Senior Staff Involvement
- Communication and Responsiveness
- Objective and Impartial Analysis
- Experienced Public Outreach
- Commitment to Schedule and Cost Control
- Established Quality Assurance and Quality Control Procedures
- Client Satisfaction

should be interpreted and incorporated into our EIRs and other CEQA documents.

The LSA team possesses the breadth and depth of experience required to complete this assignment. [As the City is aware, LSA has completed EIRs for the 111 Independence, Menlo Uptown, and Menlo Portal Projects, and is currently preparing the Response to Comments Document/Final EIR for the Menlo Flats project, all of which are located within the Bayfront Area and tier from the ConnectMenlo Final EIR.](#)

LSA is currently undertaking or has successfully completed numerous environmental documents, including comprehensive and focused project- and program-level EIRs, supplemental and subsequent CEQA documents, IS/MNDs, technical reports, and planning documents for projects with characteristics comparable to the services that are required for this assignment. The following projects highlight our experience with redevelopment activities occurring within existing commercial and industrial settings, with a focus on projects in Menlo Park and life sciences uses. [Theresa Wallace, Principal and Matthew Wiswell, Planner/Project Manager served as the senior management team for all of these projects and represented the LSA team at all internal meetings and public hearings.](#)

Focused EIRs for Residential and Office Mixed-Use Projects, City of Menlo Park (2019 – 2021)

The City of Menlo Park certified the ConnectMenlo Final EIR in 2016. The ConnectMenlo Final EIR provided a program-level analysis of the development potential envisioned for the entire city, including within the Bayfront Area, where the Facebook campus is located. As individual development projects are proposed, each project is subject to additional environmental review and the analysis tiers from the ConnectMenlo Final EIR, as appropriate. LSA recently prepared



Focused EIRs for three residential and mixed-use projects within the Bayfront Area, which are described below. For each project, LSA prepared an Initial Study to identify the potential project-specific impacts that warrant additional analysis in the EIR. For each project, the Focused EIRs evaluated the following topics:

- Population and Housing
- Transportation and Circulation
- Air Quality
- Greenhouse Gas Emissions
- Noise

111 Independence Drive EIR

The proposed project includes development of an approximately 145,679-square-foot, eight-story multi-family apartment building with 105 dwelling units and associated improvements. The existing 15,000-square-foot single-story office building would be demolished as part of the proposed project.

The EIR evaluated project-specific impacts related to the topics described above and, on the basis of the technical evaluations, determined that all impacts of the project could be reduced to a less-than-significant level with implementation of project-specific mitigation measures and mitigation measures identified in the ConnectMenlo Final EIR. This is the first environmental document in Menlo Park that evaluated transportation impacts according to the Vehicle Miles Traveled (VMT) metric and applied the City's newly adopted Transportation Impact Analysis (TIA) Guidelines to the analysis. LSA worked closely with the City and the applicant team to identify a range of feasible project alternatives, which included the base level and maximum buildout potential of the project site. The Final EIR was certified in April 2021.

Menlo Uptown EIR

The proposed project would result in redevelopment of the project site with a maximum of 441 multi-family rental units and 42 for-sale townhomes, totaling approximately 471,986 square feet of residential use and approximately 2,940 square feet of office space, as well as associated open space, circulation and parking, and infrastructure improvements. The project site is currently developed with two single-story commercial office buildings and a single-story industrial building totaling approximately 110,356 square feet. The Final EIR was certified in June 2021.



Menlo Portal EIR

This project proposes the redevelopment of the project site with an approximately 326,581-gross-square-foot, seven-story multi-family apartment building with approximately 335 dwelling units and an approximately 34,868-gross-square-foot commercial office building, which would include approximately 1,600 gross square feet of child care space, as well as associated open space, circulation and parking, and infrastructure improvements. The site is currently developed with two single-story office buildings and one warehouse/ industrial building with a small office component totaling approximately 64,832 square feet in size. The Final EIR was certified in July 2021.



600 Addison Project IS/MND, City of Berkeley (2020 – 2021)



The 600 Addison Street Project involves redevelopment of an 8.4-acre site into an R&D campus. The project site is bordered by Addison Street to the north, Bancroft Way to the south, the UPRR mainline to the east, and Aquatic Park to the west. The site is within a half mile of several major transit stops, including the Berkeley Amtrak stop. The proposed project would consist of two separate R&D/Office buildings, totaling approximately 461,822 gross square feet, each with their own separate, four-

story parking structure. The proposed project would also include off-site streetscape enhancements adjacent to Aquatic Park. The existing buildings and structures on this industrial site will be demolished. Although the City originally anticipated that a Focused EIR would be required, LSA prepared an Initial Study as a preliminary review document and, on the basis of that analysis and in consultation with City staff, determined that the proposed project could qualify for a Mitigated Negative Declaration. To support the conclusions in the environmental document, the LSA team peer reviewed the project applicant's Geotechnical Study, Oak Tree Removal and Relocation Plan, Arborist Report, and Transportation Impact Analysis, and prepared a Draft Jurisdictional Wetland Delineation for submittal to the Army Corps of Engineers. LSA also assisted the City with successful consultation with tribal representatives pursuant to AB 52. In addition to the environmental analysis, LSA also provided planning support services to assist with processing of the proposed project application materials and requested permits. The IS/MND was adopted in May 2021.

2 Davis Drive Project EIR, City of Belmont (2019 – Ongoing)

The 2 Davis Drive Project involves the redevelopment of a 3.4-acre project site with an approximately 77,525-square-foot office/R&D building, with three levels of office space above one level of enclosed at-grade parking. The existing warehouse building on the site was determined to be eligible for listing in the City's Historical Resource Inventory. The proposed project also includes dedication of a portion of the site for the construction of a new fire station and construction of a new right-turn lane at an adjacent intersection.



LSA provided peer reviews of the applicant-prepared technical studies, including a Transportation Impact Analysis, Cultural Resources Study, Historical Resource Evaluation, and Biological Resources Assessment. LSA prepared an Initial Study that determined a Focused EIR would be required to evaluate the topics of land use, biological resources, cultural resources, transportation, air quality, greenhouse gas emissions, and noise. LSA began peer reviewing the technical studies in 2019, which led to a redesign of the project and additional technical evaluations. The Draft EIR is anticipated to be published in early 2022.

388 Vintage Park Drive Project EIR, City of Foster City (2021 – Ongoing)



The 388 Vintage Park Drive Project consists of the redevelopment of a site with a life science office building and associated site improvements. The project sponsor is proposing to demolish an existing restaurant building and construct a new four-story, 68-foot-tall building containing approximately 95,931 square feet of office and R&D space. On the basis of a preliminary Initial Study prepared by LSA, it was determined that a Focused EIR would be required to further evaluate the potentially significant impacts of the project associated with land use,

aesthetics, transportation, air quality, greenhouse gas emissions, noise, hazards and hazardous materials, public services, and utilities and service systems. To support the analysis, LSA incorporated the findings of a Water Supply Assessment, Shadow Study, and Transportation Impact Analysis. LSA began work in spring 2021, and the Draft EIR was published in December 2021.

1200 Van Ness Avenue Project IS/MND, City and County of San Francisco (2020 – 2021)

The Van Ness Special Use District (SUD) was created in order to implement the objectives and policies of the Van Ness Avenue Area Plan, including the creation of a mix of residential and commercial uses on the boulevard. In the center of the Van Ness SUD, the project sponsor seeks to demolish an existing building complex and construct a mixed use project of approximately 106,700 square feet of health services space, 107 dwelling units, 24,520 square feet of retail space, and 4,340 square feet of restaurant space on a 0.87-acre site. The proposed building would consist of a five-story above-ground podium, with an eight-story residential tower and two three-story townhome-style structures extending above the top of the podium. LSA was contracted to prepare the CEQA analysis for the proposed project. LSA and the project team prepared an Initial Study/Mitigated Negative Declaration (IS/MND) that included expanded analysis by LSA specialists and subconsultants for the topics of cultural resources, transportation, noise, air quality, greenhouse gas emissions, shadow, and wind. The wind, shadow, and transportation impact studies were accomplished by consultants under contract to the project sponsor and LSA coordinated closely with the team on the project analysis and schedule. The IS/MND was adopted in September 2021.



The proposed building would consist of a five-story above-ground podium, with an eight-story residential tower and two three-story townhome-style structures extending above the top of the podium. LSA was contracted to prepare the CEQA analysis for the proposed project. LSA and the project team prepared an Initial Study/Mitigated Negative Declaration (IS/MND) that included expanded analysis by LSA specialists and subconsultants for the topics of cultural resources, transportation, noise, air quality, greenhouse gas emissions, shadow, and wind. The wind, shadow, and transportation impact studies were accomplished by consultants under contract to the project sponsor and LSA coordinated closely with the team on the project analysis and schedule. The IS/MND was adopted in September 2021.

3000-3500 Marina Boulevard Life Sciences Project, City of Brisbane (2018)

LSA prepared an Addendum for the 3000-3500 Marina Boulevard Project in the City of Brisbane. The document was the second Addendum to the 2008 Opus Office Center Initial Study/Mitigated Negative Declaration (2008 IS/MND), which was prepared by LSA and adopted by the City in May 2009. The first Addendum was prepared in December 2016 (2016 Addendum) and was filed by the



City in March 2017. The proposed minor modifications to the 2008 IS/MND described in the current Addendum would not require major revisions to the 2008 IS/MND due to new or substantially increased significant environmental effects. The current proposal includes grading and capping of a Class III landfill; construction of three life sciences office and laboratory buildings) over a two-story podium parking garage base; construction of a pedestrian path linking the Bay Trail to the Marina Boulevard sidewalk; and various landscaping improvements. The proposed project would be located within approximately the same footprint as the project analyzed in the 2008 IS/MND, but would be smaller and shorter. The analysis contained in the Environmental Checklist confirmed that the proposed project was within the scope of the 2008 IS/MND and would have no new or more severe significant effects and no new mitigation measures were required.

TERESA WALLACE, AICP

PRINCIPAL-IN-CHARGE



PROFESSIONAL RESPONSIBILITIES

Ms. Wallace has 18 years of experience in managing and preparing a variety of environmental documents including CEQA initial studies/mitigated negative declarations and environmental impact reports and NEPA technical studies, environmental assessments, and environmental impact statements.

Ms. Wallace serves as both Principal in Charge and Project Manager for the environmental documentation of a diversity of public and private development and redevelopment projects, on both urban infill and greenfield sites. Current and recent projects include a number of residential, commercial, office, institutional, and mixed-use projects as well as public park master plans and facilities; roadway expansions and bridge construction; and bicycle and pedestrian paths and trails.

As Principal in Charge, Ms. Wallace oversees on-call environmental services contracts involving multiple assignments, as well as individual CEQA contracts. She establishes working relationships with local agency representatives; interfaces with clients and project teams; makes presentations at community meetings and public hearings; directs marketing efforts in the areas of environment and land use; and supervises junior staff. She is ultimately responsible for ensuring that LSA's products are completed to the highest quality standard and meet the requirements of the client. Her direction to environmental team members aims to ensure an internally consistent, coherent document that fulfills all CEQA requirements.

EXPERTISE

- CEQA/NEPA Project Management
- Environmental Planning and Impact Analysis
- Land Use Planning

EDUCATION

B.A., Environmental Studies,
University of California,
Santa Cruz, 2002

PROFESSIONAL EXPERIENCE

Principal, LSA,
Point Richmond, California,
June 2005–Present

PROFESSIONAL AFFILIATIONS

American Institute of Certified
Planners (AICP)

American Planning
Association (APA)

Association of Environmental
Professionals (AEP)

San Francisco Planning and
Urban Research Association
(SPUR)

PROJECT EXPERIENCE

At present, Ms. Wallace is serving as Principal in Charge of on-call environmental services contracts with the cities of Redwood City, San Carlos, Berkeley, Concord, Milpitas, El Cerrito, and Hayward, to name a few. The CEQA projects she is overseeing for these jurisdictions involve mixed-use, residential, R&D, office, commercial, and industrial uses.

She is currently the Principal/Project Manager for the 2 Davis Drive Office/R&D Project EIR for the City of Belmont and the 388 Vintage Park Drive Life Sciences Project EIR for the City of Foster City. These projects include the redevelopment of underutilized blocks of industrial and commercial sites with research and development and commercial office uses. She also recently served as the Project Manager for the 600 Addison Street IS/MND for the City of Berkeley, which evaluated the impacts associated with development of an approximately 400,000 square-foot R&D campus on an underutilized site immediately adjacent to Aquatic Park, the I-880 corridor, and San Francisco Bay. She also served as the Principal in Charge for completion of the 3000-3500 Marina Boulevard Project Addendum for the City of Brisbane.

Ms. Wallace has also managed or participated in the environmental review for public and private K-12 school projects, as well as those for colleges, and campus master plans for institutional uses. Ms. Wallace was continually involved with the California State University Maritime Academy from 2010 through 2018, processing CEQA projects under the 2002 Master Plan, and as the Project Manager for the 2016 Master Plan EIR.

THERESA WALLACE, AICP

PRINCIPAL-IN-CHARGE



PROJECT EXPERIENCE (CONTINUED)

The following is a selected list of recent urban infill projects:

- *111 Independence Drive Project EIR* for the City of Menlo Park
- *Menlo Uptown Project EIR* for the City of Menlo Park
- *Menlo Portal Project EIR* for the City of Menlo Park
- *Menlo Flats Project EIR* for the City of Menlo Park
- *San Bruno Recreation and Aquatic Center Project EIR* for Group 4 Architecture/City of San Bruno
- *Children's Hospital and Research Center Oakland EIR* for the City of Oakland
- *California Maritime Academy Master Plan EIR* for the California State University
- *California Maritime Academy Police Building IS/MND* for the California State University
- *California Maritime Academy Physical Education and Pool Facility IS/MND* for the California State University
- *California Maritime Academy Master Plan EIR Addendum* for the Dining Center Replacement Project for the California State University
- *1200 Van Ness Project IS/MND* for Reuben, Junius, and Rose/City and County of San Francisco
- *Deer Valley Estates Project Focused EIR* for the City of Antioch
- *600 Addison Street Project IS/MND* for the City of Berkeley
- *1900 Fourth Street Project EIR* for the City of Berkeley
- *1548 Maple Street Project EIR* for the City of Redwood City
- *1724 Sunnyside Residential Project IS/MND* for the City of Milpitas
- *Clayton Road Townhomes Project Environmental Documentation* for the City of Concord
- *Pulte Homes Residential Project* for the City of Union City
- *Rocketship Redwood City Charter School IS/MND* for the City of Redwood City
- *College Park High School Athletic Facilities Improvements Project IS/MND* for the Mount Diablo Unified School District
- *2201 Dwight Way Project EIR* for the City of Berkeley
- *598 Brannan Street Initial Study and Focused EIR* for Tishman Speyer/City and County of San Francisco
- *500 Turk Focused EIR* for the Tenderloin Neighborhood Development Corporation/City and County of San Francisco
- *1601 Mariposa Street Mixed Use Project EIR* for Related California/City and County of San Francisco
- *Fifth and Mission (5M) Project EIR* for Forest City/City and County of San Francisco
- *Lakehouse Commons CEQA* for UrbanCore-Integral LLC
- *Downtown Family Development Project CEQA/NEPA Documentation* for the City of Mountain View
- *Napa County Health and Human Services Agency Campus Focused EIR and Initial Study* for the County of Napa

MATTHEW WISWELL, AICP

PROJECT MANAGER / SENIOR ENVIRONMENTAL PLANNER



EXPERTISE

- Environmental Planning and Impact Analysis
- Land Use Planning and Development

EDUCATION

B.S., City & Regional Planning,
Minor in Real Property
Development, California
Polytechnic State University,
San Luis Obispo, 2016

PROFESSIONAL EXPERIENCE

Environmental Planner, LSA,
Point Richmond, California,
2016–Present

Environmental Intern, County
of San Luis Obispo, Planning &
Building Department, San Luis
Obispo, California, December
2015–June 2016

PROFESSIONAL AFFILIATIONS

Association of Environmental
Professionals (AEP)

American Planning
Association (APA)

American Institute of Certified
Planners (AICP)

PROFESSIONAL RESPONSIBILITIES

Mr. Wiswell is a CEQA specialist with more than 5 years of experience providing environmental planning and technical assistance for a variety of planning and environmental documents. Mr. Wiswell serves as an Environmental Planner and provides project management assistance for public and private development and redevelopment projects that include a wide array of residential, institutional, office, and industrial uses; school facility, parks, and trails improvements; and City-sponsored area plans and programs.

PROJECT EXPERIENCE

Focused EIRs for Residential Mixed-Use Projects, 111 Independence Drive, Menlo Uptown, Menlo Portal, Menlo Flats Menlo Park, California

LSA is currently under contract to prepare Focused EIRs for four residential and mixed-use projects within the Bayfront Area. For each project, the Focused EIRs have evaluated the topics: population and housing; transportation and circulation; air quality; greenhouse gas emissions; and noise. Mr. Wiswell served as the Assistant Project Manager; he prepared the non-technical analyses for the Initial Study and Focused EIRs. He prepared the alternatives chapter and made presentations and answered questions at public hearings.

388 Vintage Park Drive Life Sciences Project EIR Foster City, California

Mr. Wiswell is serving as the Assistant Project Manager for the preparation of an Initial Study and Focused EIR for the proposed 388 Vintage Park Drive Project. The project would consist of the redevelopment of the project site with an approximately 125,000-square-foot life sciences/R&D building. Mr. Wiswell prepared the non-technical sections of the Initial Study and the land use, aesthetics, public services, and utilities sections of the EIR.

2 Davis Drive Office/R&D Project EIR Belmont, California

Mr. Wiswell is serving as the Assistant Project Manager for the 2 Davis Drive Office/R&D Project, which includes an Initial Study and Focused EIR. The proposed project consists of the redevelopment of an existing warehouse building with an approximately 78,000-square-foot office/R&D building, as well as the dedication of land for a new fire station and new right-turn lane. Mr. Wiswell prepared the non-technical sections of the Initial Study and the land use and cultural resources sections of the EIR.

3000-3500 Marina Boulevard Project Brisbane, California

Mr. Wiswell served as the Project Manager for the 3000-3500 Marina Boulevard Project, which included changes to the previously approved Opus Office project. Mr. Wiswell managed the preparation of an Addendum, which incorporated updated analyses for biological resources and transportation, as well as an updated water supply assessment.

MATTHEW WISWELL, AICP

PROJECT MANAGER / SENIOR ENVIRONMENTAL PLANNER



PROJECT EXPERIENCE (CONTINUED)

City of San Bruno Recreation and Aquatic Center Project EIR San Bruno, California

Mr. Wiswell assisted with the preparation of the Initial Study and the subsequent EIR for the San Bruno Veterans Memorial Recreation Center redevelopment project. On the basis of a preliminary Initial Study prepared by LSA, it was determined that a Focused EIR would be required to further evaluate the potentially significant impacts of the project associated with biological resources, cultural resources, transportation and circulation, air quality, noise, geology and soils, hazards and hazardous materials, and hydrology and water quality.

1548 Maple Street Project EIR Redwood City, California

Mr. Wiswell assisted with the preparation of the EIR for the 1548 Maple Street Project in Redwood City. The proposed project would include 131 townhomes and an extension of the San Francisco Bay trail on approximately 8 acres along Redwood Creek. Mr. Wiswell prepared the land use and planning and utilities and service systems sections.

City of Antioch, Deer Valley Estates Project EIR Antioch, California

This project involves the construction of 121 new single-family homes and associated open space, roadway, and utility improvements. Mr. Wiswell served as the Project Manager and wrote the non-technical sections of the Initial Study and Focused EIR. He also developed and evaluated the potential impacts of the alternatives.

City of Berkeley, 600 Addison Street Project IS/MND Berkeley, California

The 600 Addison Street Project involves redevelopment of an 8.4-acre site into an R&D campus. Mr. Wiswell served as the Assistant Project Manager and Environmental Planner for this project, assisting with the preparation of an Initial Study that analyzes potential impacts associated with the redevelopment of underutilized blocks of an industrial site with a mix of residential, office, and research and development and/or commercial uses.

City of Concord, Clayton Road Townhomes Environmental Checklist Concord, California

This project involves the preparation of an Infill Environmental Checklist pursuant to Section 15183.3 and Appendix M of the CEQA Guidelines. The proposed project consists of 70 residential townhouse units on 3.86 acres. Mr. Wiswell served as Project Manager, prepared the non-technical analysis, and attended and answered questions at public hearings.

Pittsburg Making Waves Charter School Project EIR Pittsburg, California

The Making Waves Foundation proposes a school campus and sports complex on two parcels in Pittsburg. LSA provided CEQA documentation under contract to the City of Pittsburg. Mr. Wiswell served as the Assistant Project Manager and prepared the Initial Study and non-technical sections of the focused EIR.

Richmond Making Waves Hilltop Sports Complex Project IS/MND Richmond, California

The Making Waves Foundation seeks to provide their Richmond campus with recreational opportunities by constructing playing fields. LSA is providing CEQA analysis under contract to the City of Richmond. Mr. Wiswell conducted the analysis based on applicant-prepared reports and drafting the Initial Study.

Burton and Highlands Parks EIR San Carlos, California

Mr. Wiswell assisted in the preparation of the CEQA documentation for this park project in San Carlos. The proposed project involves the installation of new field lighting on currently unlit fields at both parks and upgrading the existing lighting at the parks with LED lights. Mr. Wiswell assisted with the compilation of the administrative record and drafting the Response to Comments.

AMY E. FISCHER

AIR QUALITY, CLIMATE CHANGE AND ENERGY



EXPERTISE

- CEQA/NEPA
- Air Quality Analysis
- GHG Emissions Analysis
- Climate Change Analysis
- Noise Analysis
- Transportation Planning
- Health Risk Assessment

EDUCATION

B.S., Environmental Policy Analysis, Minor in Geography, University of Nevada, Reno, 1998

PROFESSIONAL EXPERIENCE

Principal, LSA, Fresno, California, July 2005–Present

PROFESSIONAL CERTIFICATIONS

San Joaquin Valley Air Pollution Control District Regulation VIII – Certified Dust Control Plan Preparer, May 19, 2015

PROFESSIONAL AFFILIATIONS

Association of Environmental Professionals (AEP) – Director, Central Valley Chapter, 2016–Present

AEP – VP of Programs, Central Valley Chapter, 2011–2015

American Planning Association (APA)

PROFESSIONAL RESPONSIBILITIES

With 20 years of experience in environmental studies, Ms. Fischer has performed principal-level review or conducted over more than 200 CEQA/NEPA-related and/or stand-alone air quality and greenhouse gas (GHG) impact studies for community plans, development projects, and infrastructure improvements. She is experienced with the models and methods used to assess both air quality and GHG impacts. As the Director of LSA's Air Quality Services, she monitors State and federal standards, case law, and scientific research to make sure that LSA's analyses reflect the rapid changes in this evolving field. In keeping with LSA's commitment to senior-level management, as the Principal in Charge, Ms. Fischer maintains substantive involvement with projects as a means of ensuring high-quality products and balanced professional consultation. She works closely with Project Managers and clients, and provides input on and monitors the scope, budget, and scheduling of specific projects. Ms. Fischer is ultimately responsible for the quality of all project work, and reviews all in-house prepared text, tables, and graphics before these materials are presented to the client.

PROJECT EXPERIENCE

CEQA/NEPA

Ms. Fischer serves as principal air quality, climate change, and noise analyst for CEQA/NEPA and planning documents. She has a comprehensive knowledge of the CEQA requirements for air quality districts throughout California. Her experience includes assessing both plan- and project-level air quality impacts ranging from criteria pollutant analysis to dispersion modeling and health risk assessments using the latest air quality modeling tools. She is skilled in air quality assessment models including the California Emissions Estimator Model (CalEEMod), Emission Factor models (EMFAC/OFFROAD), the Road Construction Estimator Model (RoadMod), and Line Dispersion Models (CALINE). She designs emission reduction strategies to reduce project-specific air quality impacts. Ms. Fischer has conducted the air quality, noise, and greenhouse gas analysis for research and development facility, senior care home, hospital, assisted living, residential, hotel, park, mixed-use, school, and college campus projects, some of which are listed below.

- *EIRs for Mixed-Use Projects: 111 Independence Drive, Menlo Uptown, Menlo Portal, Menlo Flats,* City of Menlo Park
- *San Bruno Recreation and Aquatic Center Project EIR,* City of San Bruno
- *California Maritime Academy Master Plan EIR,* California State University
- *1548 Maple Street Townhome Community Project EIR,* Redwood City
- *600 Addison Street Project IS/MND,* City of Berkeley
- *Deer Valley Estates Project EIR,* City of Antioch
- *Pulte Homes Project IS/MND,* City of Union City
- *Concord Townhomes Environmental Checklist,* City of Concord
- *1724 Sunnyhills Court Project IS/MND,* City of Milpitas
- *Walters Jr. High School Improvements Project EIR,* Fremont Unified School District
- *College Park High School Athletic Field Noise Monitoring Assessment,* Mt. Diablo Unified School District

AMY E. FISCHER

AIR QUALITY, CLIMATE CHANGE AND ENERGY



PROJECT EXPERIENCE (CONTINUED)

- *Clover School Modernization Project Categorical Exemption*, Tracy Unified School District
- *Dorris Eaton School Health Risk Assessment*, Dorris Eaton School in San Ramon
- *Jensen Lane Elementary School Project EIR*, Windsor Unified School District
- *Rocketship Charter School IS/MND*, City of Redwood City

Ms. Fischer recently provided principal-level review for the air quality analyses for the following projects:

- *Air Quality Impact Analysis Land Use and Urban Design Elements*, City of Long Beach
- *Kaiser Permanente Baldwin Park Medical Center Parking Structure Expansion and Medical Office Building MND*, Kaiser Permanente
- *Air Quality and Greenhouse Gas Analysis for the Operations Center and Site Consolidation Project*, Moulton Niguel Water District
- *West Alton Parcel Development DEIR Air Quality and GHG Emissions Technical Appendices Peer Review*

Ms. Fischer also contributed to the *Greenhouse Gas Emissions Reduction Strategy* for the City of Hope Campus Plan. In addition, she served as the primary author of the Air Quality, Greenhouse Gas, and Noise sections of the *San Francisco General Hospital Rebuild Project EIR*, as well as the *Children's Hospital and Research Center Oakland Campus Master Plan EIR*.

GREENHOUSE GAS

Ms. Fischer prepares quantitative GHG analyses that evaluate the impacts of project-related GHG emissions and project impacts related to global climate change. The reports describe the existing setting and regulatory context, quantify impacts, and recommend mitigation measures, as appropriate.

Using CalEEMod (or other local model), Ms. Fischer performs a quantitative assessment of GHG emissions associated with all relevant sources related to the project, including construction activities, new vehicle trips, electricity consumption, water usage, and solid waste generation and disposal. Ms. Fischer recently conducted the GHG analysis for the *4660 Sierra College Boulevard Commercial Project, Rocklin*; the *Thompson and Dakota Residential Project, Clovis*; and the *Balfour Road Shoulder Widening Project, Contra Costa County*. Most recently, she provided the air quality and GHG analysis for a General Plan Amendment, including rezoning and annexation, for the City of Fresno.

HEALTH RISK ASSESSMENT

The Air Toxics Hot Spots Information and Assessment Act of 1987 seeks to provide information to state and local agencies and to the general public on the extent of airborne emissions from stationary sources and the potential public health impacts of those emissions. Ms. Fischer prepares Health Risk Assessments (HRA) using the Guidance Manual (February 2015) developed by the California Office of Environmental Health Hazard Assessment (OEHHA). She is trained in the use of the Hot Spots Analysis and Reporting Program (HARP) model, developed by ARB, as a tool to implement the risk assessments as outlined in the Guidance Manual. Ms. Fischer has prepared HRAs for the following projects:

- *Riviera Avenue Residential Project Health Risk Assessment, Walnut Creek*, Resources for Community Development
- *211 Airport Boulevard/Pinefino Apartments Project Health Risk Assessment, South San Francisco*, Concord Design Group
- *Miramonte Sanitation Transfer Station Project Health Risk Assessment, Reedley*, Miramonte Sanitation
- *Redwood Hills Residential Project Health Risk Analysis, Oakland*, Affordable Housing Associates
- *1601 Mariposa Mixed-Use Project Air Quality Criteria Pollutant Analysis, San Francisco*, Related California
- *Fremont Gateways Health Risk Assessment, Fremont*, Tim Lewis Communities

DEAN ARIZABAL

TRANSPORTATION PLANNING & VMT



EXPERTISE

- Transportation Planning and Traffic Impact Assessment
- Data Collection and Analysis
- Parking Demand and Shared Parking Analysis

EDUCATION

B.S., Computer Engineering,
University of California, Irvine,
2002

PROFESSIONAL REGISTRATIONS

Orange County Traffic
Engineering Council

Association of Environmental
Professionals

PROFESSIONAL RESPONSIBILITIES

Mr. Arizabal has been involved in transportation planning since 2005. With 16 years of experience, Mr. Arizabal's primary responsibilities include preparing or managing the preparation of technical analyses of land development and roadway improvement projects, including comprehensive Traffic Impact Analyses, traffic operations analyses, and parking studies. He has prepared numerous traffic impact studies and access and on-site circulation analyses for mixed-use, residential, commercial, office, institutional, and alternative energy projects. Many of Mr. Arizabal's reports and documents are incorporated into an EIR, Initial Study, or Mitigated Negative Declaration.

SELECT PROJECT EXPERIENCE

Focused EIR for Menlo Flats Menlo Park, California

Mr. Arizabal served as the Traffic Task Lead and oversaw preparation of a Transportation Impact Analysis (TIA) for the proposed Menlo Flats project in Menlo Park, California. The TIA was conducted in accordance with the City of Menlo Park's TIA Guidelines. The proposed project includes 158 dwelling units and approximately 15,000 square feet of nonresidential space. LSA utilized the City's travel demand model to evaluate vehicle miles traveled (VMT). Additionally, as required by the City of Menlo Park, the TIA evaluated levels of service and signal warrants at 15 intersections and evaluated the applicant-prepared Transportation Demand Management (TDM) Plan for compliance with the City's TDM Guidelines.

City of San Jose Fire Training and Emergency Operation Center Relocation Project San Jose, California

Mr. Arizabal served as the Traffic Task Lead and prepared a Local Transportation Analysis for the Transportation/Traffic section of the IS/MND for the relocation and the development of the proposed San José Fire Department Fire Training Center in San Jose. The project proposes to relocate the San Jose City Fire Department Training

Center, which is currently at 255 South Montgomery Street in Central San Jose, and construct 56,393 sf of new floor area at the 1661 Senter Road and 1591 Senter Road project site. The traffic analysis identified the potential traffic and circulation impacts associated with the project. As instructed by the City of San Jose, the traffic analysis evaluated three scenarios (existing, existing plus approved projects, and existing plus project plus approved projects) and five study area intersections (using the Highway Capacity Manual methodology). Project trip generation and distribution are key components of this local-serving government facility. The traffic analysis was prepared consistent with applicable requirements of the City's *Transportation Analysis Handbook*.

City of Hayward, 29212 Mission Boulevard Project Traffic Impact Analysis Hayward, California

Mr. Arizabal served as the Project Manager and oversaw the preparation of a Traffic Impact Analysis (TIA) for the proposed 29212 Mission Boulevard Project in Hayward, California. The TIA was conducted in accordance with the City of Hayward's Interim Traffic Study Guidelines (March 2017). The proposed project includes 189 multifamily units, an 8,048 sf day care center, and 2,773 sf of retail use. The project site is east of Mission Boulevard and south of Tennyson Road. Access to the project site will be provided via a new driveway on Mission Boulevard that would create the fourth leg of the intersection of Mission Boulevard/Valle Vista Avenue. Based on the results of this TIA, implementation of the 29212 Mission Boulevard Project with signal timing adjustments would not result in any LOS impacts to the surrounding roadway system.

DEAN ARIZABAL

TRANSPORTATION PLANNING & VMT

PROJECT EXPERIENCE (CONTINUED)

City of Merced, Merced Mall Expansion and Redevelopment Project Merced, California

Mr. Arizabal served as the Traffic Task Lead and prepared a TIA to identify potential traffic and circulation impacts associated with the proposed expansion and redevelopment of the Merced Mall, an approximately 52-acre site at 851 W. Olive Avenue in Merced, in two phases. Phase 1 of the project includes an additional 50,000 sf of retail use, and Phase 2 includes a new 72,000 sf (14-screen) movie theater in two possible locations on site. The TIA of existing and near-term traffic conditions was prepared in consultation with the City of Merced. The TIA was approved.

California Department of General Services, DMV Field Replacement Project Santa Maria, California

Mr. Arizabal served as the Traffic Task Lead and prepared a Traffic Impact Analysis for the Transportation/Traffic section of the IS/MND for a new Department of Motor Vehicles (DMV) office in Santa Maria. The traffic analysis identified potential traffic and circulation impacts associated with the proposed 13,500 sf DMV office at 2850 Santa Maria Way. The traffic analysis evaluated four scenarios (existing, cumulative, existing plus project, and cumulative plus project), 15 signalized intersections (using the intersection capacity utilization methodology), and two unsignalized project driveways (using the Highway Capacity Manual methodology). Project trip generation and distribution were key components of this local-serving government facility. The traffic analysis was prepared consistent with applicable requirements of the City, the Santa Barbara County Association of Governments, and Caltrans.

City of Irvine, 2020 Citywide Circulation Phasing Analysis Report Irvine, California

Mr. Arizabal served as the Project Manager and oversaw the update to the Citywide Circulation Phasing Analysis Report for the City of Irvine to recommend priorities for circulation improvements throughout Irvine within the next 5 years. This 2020 Citywide Circulation Phasing Analysis Report is used by the City to determine circulation deficiencies, identify physical or operational improvements to roadways and intersections, and provide decision-makers with the necessary information to systematically implement these improvements for maintaining adequate mobility across Irvine. Mr. Arizabal coordinated with City Public Works staff and the Circulation Phasing Task Force (members of the City's Departments as well as representatives of the City's Finance, Planning, and Transportation Commissions, The Irvine Company, and Heritage Field El Toro, LLC). This analysis report evaluated 510 roadway segments and 250 intersections throughout Irvine for Existing Year and Future Interim Year traffic conditions. Key considerations for improvement recommendations and priorities included daily and peak-hour volumes, adjacent land uses, right-of-way constraints, costs, impacts/benefits to alternative transportation (bicyclists and pedestrians), and alternative analysis methods (e.g., the Highway Capacity Manual operational analysis).

Otay-Tijuana Venture, LLC (DBA Cross Border Xpress), San Diego-Tijuana Cross-Border Facility Project San Diego, California

Mr. Arizabal assisted in preparation of a Traffic Impact Study to identify potential traffic and circulation impacts associated with the San Diego-Tijuana Cross-Border Facility and ancillary retail/industrial uses in the Otay Mesa community of San Diego. The proposed border facility project is located on a 55.5-developable-acre site south of Siempre Viva Road, east of Britannia Boulevard, and west of La Media Road. It consists of the 95,000 sf cross-border facility, 402,000 sf of industrial use, 34,000 sf of specialty retail, 340 hotel rooms, a 12-pump gas station with a 1,200 sf convenience market and car wash, and 6,000 sf of restaurant use. The facility is anticipated to service approximately 17,225 passengers per day at build out. The Traffic Impact Study examined the impact of the project on 28 intersections, 33 roadway segments, 9 metered freeway on-ramps, and 16 freeway segments. Recommendations were made for circulation improvements. The Traffic Impact Study has been approved, and the project is now in operation.

ATTACHMENT 2

LSA's Diversity, Equity, and Inclusion Policies and Programs

LSA's Diversity, Equity, and Inclusion Policy and Committee

LSA is committed to attracting and retaining a diverse staff that reflects the work we do and creating an environment where every employee feels comfortable and valued. LSA has a Diversity, Equity, and Inclusion (DEI) Committee comprised of staff at all levels of the organization that works to promote greater diversity within LSA by recommending strategies to recruit, support, and retain staff from diverse backgrounds including ethnic minorities, persons with disabilities, those that have non-binary gender identity, and more. We believe in and support the following goals:

1. Diversity: Unlocking innovation, challenging bias, and removing barriers
2. Equity: Providing a culture where everyone is given the resources, access, and opportunities to reach their full potential
3. Inclusion: Welcoming authenticity and cultivating a sense of belonging

In addition, LSA's DEI Committee strives to facilitate a culture where diversity, equity, and inclusion are respected and intentionally valued by implementing thoughtful, practical, iterative, and innovative strategies. Our following targeted changes and practices reflect the promotion of such culture:

- Internal review of our Company handbook and style guide for consistency with DEI goals.
- Continuing internal staff training on diversity, equity, and inclusion. To this end, all LSA staff recently completed a real-time virtual training program called Connecting with Respect. Additional trainings are planned in the near future.
- Continued internal education and use of digital stationery in recognition of Black History Month, Women's History Month, and Pride Month.

Targeted changes and efforts that are in process include:

- Inclusion of pronouns in onboarding exercises
- Removal of names from resumes/applications during the hiring process
- Development of a DEI-oriented scholarship program.

Apart from the internal efforts at LSA, our trained staff assist lead agencies with outreach and engagement with the Native American tribal communities for projects that impact them to recommend mitigation measures and/or alternatives to preserve their sovereign rights and cultural identity. LSA's staff have developed strong relationships with many tribal representatives throughout the State and we value these partnerships.

LSA's Supplier Diversity Program

LSA has been providing clients with comprehensive professional services since the founding of the company in 1976. Our success is due in part to our relationships with suppliers that are as diverse as the communities in which we work. LSA has current successful partnerships with qualified disadvantaged, small, minority-owned, woman-owned, and disabled veteran-owned business enterprises (DBE/SBE/MBE/WBE/DVBEs) and whenever possible encourages their growth and expansion within each teaming opportunity.

LSA's Program Focuses On:

- **Goal Measurements:** Understanding and meeting its clients' goals in a way that supports LSA's overall diversity strategy.
- **Tracking and Reporting:** Monitoring and reporting its results in achieving its supplier diversity goals, with a strong emphasis on continuous improvement.
- **Training and Education:** Helping to ensure that employees in decision-making positions throughout the LSA organization understand its supplier diversity principles and commitment.

We continue to seek diverse suppliers through active involvement with small, women-owned, and minority-owned business development organizations, and participation in various networking events.

ATTACHMENT 3

Keyser Marston Scope of Work



KEYSER MARSTON ASSOCIATES
ADVISORS IN PUBLIC/PRIVATE REAL ESTATE DEVELOPMENT

January 3, 2022

Matthew Wiswell

LSA

157 Park Place

Point Richmond, CA 94801

ADVISORS IN:
REAL ESTATE
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

SAN FRANCISCO

A. JERRY KEYSER
TIMOTHY C. KELLY
DEBBIE M. KERN
DAVID DOEZEMA

LOS ANGELES

KATHLEEN H. HEAD
JAMES A. RABE
GREGORY D. SOO-HOO
KEVIN E. ENGSTROM
JULIE L. ROMNEY

SAN DIEGO

PAUL C. MARRA

Re: Proposed Scope of Services to Prepare a Housing Needs Assessment for the 1005 O'Brien Drive and 1320 Willow Road Project

Dear Mr. Wiswell:

Keyser Marston Associates, Inc. ("KMA") is pleased to present the enclosed proposed scope of services to prepare a Housing Needs Assessment ("HNA") for the City of Menlo Park addressing the proposed 1005 O'Brien Drive and 1320 Willow Road Project ("the Project").

The Project consists of two new life science research and development (R&D) buildings totaling 228,262 square feet, a 9,683 square foot employee amenity space, and a new parking structure. The Project replaces three existing industrial and research and development buildings on the site that have a combined 90,631 square feet of building area.

KMA is exceptionally well qualified to prepare the HNA for the Project based on our broad expertise preparing housing impact studies and project-specific housing needs analyses. Our extensive experience preparing HNAs for the City of Menlo park includes the following projects:

- Menlo Gateway
- Facebook Campus Project
- Facebook Campus Expansion Project
- 1350 Adams Court
- Commonwealth Building 3
- 111 Independence
- 115 Independence
- 141 Jefferson
- Menlo Flats

In addition to the projects listed above, KMA is currently engaged in preparation of HNAs for two additional life science R&D developments in the immediate vicinity, including the 1125 O'Brien Drive and 1075 O'Brien Drive and 20 Kelly Court projects, as well as the Willow Village Master Plan Project. This recent and on-going work will allow for efficiencies in preparing the HNA for the proposed Project and provide for a consistent methodology across similar nearby projects.

The enclosed HNA scope of services includes preparation of an HNA addressing, to the extent possible, the following housing-related impacts of the proposed Project:

- Housing need by affordability level for on-site workers;
- Estimated geographic distribution of housing needs by jurisdiction; and
- Evaluation of the potential impacts on the housing market, including in connection with potential multiplier effects, and the degree to which the Project may contribute to rising housing costs and displacement of existing residents of lower income communities in the local area.

We understand that the HNA must be prepared consistent with the terms of the settlement agreement between the City of East Palo Alto and Menlo Park. The enclosed scope of service is designed to provide the analyses contemplated by the settlement agreement and is consistent with other HNAs that KMA has recently prepared or is currently engaged to prepare. The scope of services and proposed budget are provided in Attachment A.

Please let me know if you have any questions or comments regarding this proposed scope of services.

Sincerely,

KEYSER MARSTON ASSOCIATES, INC.



David Doezema

Attachment A: Scope of Services
Attachment B: KMA Rate Schedule

Attachment A
Scope of Services to Prepare a Housing Needs Assessment (HNA)
for the 1005 O'Brien Drive and 1320 Willow Road Project

The following scope of services is for preparation of a Housing Needs Assessment (HNA) addressing the proposed 1005 O'Brien Drive and 1320 Willow Road Project ("Project"). The HNA will address the following major housing-related topics:

- 1) Housing need by affordability level for on-site Project workers;
- 2) Estimated geographic distribution of housing needs by jurisdiction; and
- 3) Evaluation of potential impacts on the regional housing market and the degree to which the proposed Project may contribute to rising housing costs and displacement of existing residents of lower income communities in the local area. The analysis of housing market effects will include, to the extent possible, consideration of potential "multiplier effects" of the proposed Project.

These housing-related impacts are not required to be analyzed under CEQA but may be of interest to decision-makers and/or the public in evaluating the merits of the proposed Project. These analyses are being provided consistent with the terms of a 2017 settlement agreement with the City of East Palo Alto. The pertinent paragraph from the 2017 settlement agreement states the following:

When the preparation of an EIR is required pursuant to this Agreement, concurrent with the preparation of the EIR, Menlo Park or East Palo Alto, whichever is the lead agency for the Development Project, will conduct a Housing Needs Assessment ("HNA"). The scope of the HNA will, to the extent possible, include an analysis of the multiplier effect for indirect and induced employment by that Development Project and its relationship to the regional housing market and displacement. Nothing in this section indicates an agreement that such an analysis is required by CEQA.

Task 1 – Project Initiation and Data Collection

The purpose of this task is to identify the availability of data necessary to complete the HNA, identify key analysis inputs and assumptions, and refine the approach to the assignment. As part of this task, KMA will:

- (1) Provide a list of data needs to complete the HNA and work with ICF International and the City's project team as necessary to gather the data.

- (2) Meet with City staff, its consultants, and the Project Sponsor team to: (a) discuss data and analysis alternatives (b) review technical methodology and approach (c) discuss and agree on schedule.

Task 2 – Housing Needs Assessment for On-Site Workers

KMA will quantify, by affordability level, the housing demand associated with the proposed Project. The analysis will quantify total housing demand based on the estimated number of net new employees added by the proposed Project (which are net new jobs in the region) and household size ratios developed from Census data. Employee compensation levels are estimated by linking generic occupational categories with local data on compensation levels. Employee compensation levels are then translated into an estimate of household income and housing need by affordability level using Census data and published income limits.

The primary data sources we will use for this component of the analysis are:

1. Data on occupations by industry from the Bureau of Labor Statistics. KMA will select industry categories that are representative of the expected occupancy of the proposed Project.
2. Current employee compensation data specific to San Mateo County for the relevant occupational categories from the California Employment Development Department will be used in the analysis.
3. U.S. Census data, including the Public Use Microdata Sample (PUMS).
4. Published income limits from the California Department of Housing and Community Development (HCD).

The proposed approach is consistent with HNAs prepared by KMA for prior projects in Menlo Park. These analyses use the same methodology as is used for nexus studies prepared to support jobs housing linkage programs, such as Menlo Park's. The methodology has been refined and modified for use in quantifying the housing impacts of specific projects. The analysis inputs are all local data, to the extent possible, and are fully documented. The end product of this task is the total number of net new employee households attributable to the development, by affordability level, who will need housing within daily commute distance.

Task 3. Analysis of Commuting and Geographic Distribution of Housing Needs

The prior tasks are to determine the total housing needs irrespective of where workers will live. This task develops information to help understand existing commute relationships and trends, and approaches to identifying how the total housing needs will be accommodated locally. KMA will analyze the commute relationships of existing jobs in Menlo Park and where job holders live

(or commute from as a place of residence) using data from the U.S. Census. KMA will then apply the data to estimate Menlo Park's share of increased housing needs and the estimated distribution of housing needs throughout the region. KMA will incorporate project-specific commute data to the extent available.

Task 4 – Relationship to Regional Housing Market and Potential to Contribute to Displacement

This task is designed to provide an evaluation, to the extent possible, of the potential for the proposed Project to influence housing prices and rents and contribute to displacement pressures in the local area. Lower income communities in the Bay Area have become increasingly vulnerable to displacement of existing residents. Employment growth, constrained housing production, and rising income inequality are among the factors that have contributed to increased displacement pressures, especially within lower income communities in locations accessible to employment centers where many households are housing-cost burdened.

Given the complex array of factors that influence housing markets and neighborhood change, precise estimates or projections of impacts and outcomes are not feasible; rather, the analysis will seek to provide information and context that will be useful to understanding the likely magnitude or range of potential impacts.

KMA will complete the following tasks to inform an evaluation of potential impacts:

- a) *Review of Historic Real Estate trends* – KMA will review historic data on home sales and rental trends in three to four geographic subareas over a historic period utilizing data readily available from commercial data providers such as CoStar, REIS and CoreLogic. The purpose will be to provide context regarding recent housing market trends.
- b) *Review of employment trends* – KMA will assemble data on historic employment trends for the same time frame as the historic review of real estate trends. Employment trends data will be distinguished by compensation level so that growth in higher-income and lower-income jobs can be separately understood. We will also look at employment trends across different geographic scales to enable relationships to be tested at the different geographic scales.
- c) *Analysis of historic relationships* – KMA will analyze the extent to which employment growth and real estate trends have been correlated with one another. Separate findings specific to the influence of high compensation jobs will be provided as a proxy for consideration of impacts associated with potential multiplier effects. These relationships will be drawn upon to provide context for understanding the degree of influence the proposed Project may have on local home prices and rents.

- d) *Estimated increased housing demand in East Palo Alto* – KMA will draw on the commute shed data from Task 3 to describe the estimated share of new workers likely to seek and find housing in East Palo Alto and the Belle Haven neighborhood of Menlo Park.

KMA will discuss the likely impacts or range of impacts on housing prices and displacement that could be experienced as a result of the proposed Project based upon the information assembled in a) through d), above, with a focus on East Palo Alto and the Belle Haven neighborhood of Menlo Park. Findings will be qualitative in nature but will reference the quantitative information assembled in the analysis tasks as part of the narrative.

Task 5 – Report Preparation

The methodology, data sources, results and implications of the HNA will be documented in a written report. This scope assumes two draft versions of the report for review and one final report.

Budget

KMA proposes to complete this scope of services on a time and materials basis for an amount not to exceed \$21,500 per the estimate below. A copy of our current rate schedule is attached.

Task	Budget Estimate*
Task 1 - Project Initiation and Data Collection	\$1,500
Task 2 – Total Housing Need by Income	\$7,000
Task 3 – Geographic Distribution of Housing Needs	\$1,500
Task 4 – Relationship to Regional Housing Market and Displacement	\$6,000
Task 5 – Report (two drafts and one final)	\$5,000
Reimbursable Expenses (market data)	\$500
Total	\$21,500

* Assumes efficiencies from preparing the HNA for the proposed Project shortly following preparation of HNAs for 1125 O'Brien Drive and 1075 O'Brien Drive projects. Budget may need to be adjusted if work on the HNA for the proposed Project were to occur significantly later.

**KEYSER MARSTON ASSOCIATES, INC.
PUBLIC SECTOR HOURLY RATES**

	<u>2021/2022</u>
CHAIRMAN, PRESIDENT, MANAGING PRINCIPALS*	\$290.00
SENIOR PRINCIPALS*	\$280.00
PRINCIPALS*	\$260.00
MANAGERS*	\$235.00
SENIOR ASSOCIATES	\$195.00
ASSOCIATES	\$175.00
SENIOR ANALYSTS	\$160.00
ANALYSTS	\$140.00
TECHNICAL STAFF	\$100.00
ADMINISTRATIVE STAFF	\$85.00

Directly related job expenses not included in the above rates are: auto mileage, parking, air fares, hotels and motels, meals, car rentals, taxis, telephone calls, delivery, electronic data processing, graphics and printing. Directly related job expenses will be billed at 110% of cost.

Monthly billings for staff time and expenses incurred during the period will be payable within thirty (30) days of invoice date.

** Rates for individuals in these categories will be increased by 50% for time spent in court testimony.*



STAFF REPORT

City Council

Meeting Date:

4/12/2022

Staff Report Number:

22-065-CC

Consent Calendar:

Adopt a resolution accepting and appropriating a San Mateo County Summer 2022 Enrichment Grant in the total amount of \$33,152 to support and expand summer camp enrichment programs for children at the Belle Haven Youth Center

Recommendation

Staff recommends that City Council adopt a resolution accepting and appropriating a San Mateo County Summer 2022 Enrichment Grant in the total amount of \$33,152 to support and expand summer camp programs for low-income and vulnerable children at the Belle Haven Youth Center, including Camp Menlo, Beechwood Elementary Afterschool Program Camp, and Summer of Service.

Policy Issues

City Council authorizes the acceptance of grant awards to support City of Menlo Park operations, services and projects.

Background

The San Mateo County Summer 2022 Enrichment Grant Program's goals are:

- Expand access to Summer 2022 enrichment programs for low-income and vulnerable students;
- Support the social-emotional well-being of students to mitigate the setbacks and hardships associated with COVID-19; and
- Provide opportunities for students to re-inspire and propel learning to counterbalance learning loss attributed to the COVID-19 pandemic and distance learning.

Analysis

On March 11, 2022, the City of Menlo Park was awarded a \$33,152 San Mateo County Summer 2022 Enrichment Grant to support and expand summer enrichment programs at the Belle Haven Youth Center. If City Council accepts and appropriates the grant funds, then the following summer programs will be supported using the grant funds:

1. Camp Menlo (\$13,120): Grant funds will offset the costs of providing camp participants with nutritious meals comprised of fresh fruit and whole grains; and hosting on-site STEAM (science, technology, engineering, arts and mathematics) activities that encourage academic exploration and alleviate summer learning loss.
2. Beechwood Elementary School After School Program Camp (\$8,412): Grant funds will support personnel costs to provide educational and recreational programming for 24 school-aged participants

from 3 p.m. to 5:30 p.m. during summer; and to offset the costs of healthy snacks and necessary program supplies.

3. Summer of Service (SOS) (\$11,620): Grant funds will be used to offset the costs of the SOS program which provides community service opportunities and programs to rising sixth through eighth grade children. This program provides critically needed supports to students who are aging out of other summer camp programs and who have fewer options during the summer months to engage in structured learning and growth activities and prevent learning loss. Grant funds will be used to subsidize participant enrollment fees and offset the costs of personnel salaries and program supplies.

Impact on City Resources

There is no new impact to the City's general fund operating budget associated with this grant as operating costs will be covered by the grant funds and program enrollment fees.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §15378 and §15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Resolution
- B. Grant award notification letter and budget

Report prepared by:
Sheriann Chaw, Library and Community Services Supervisor

Report reviewed by:
Sean Reinhart, Library and Community Services Director

RESOLUTION NO. XXXX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
ACCEPTING AND APPROPRIATING A SAN MATEO COUNTY SUMMER 2022
ENRICHMENT GRANT IN THE TOTAL AMOUNT OF \$33,152 TO SUPPORT
AND EXPAND SUMMER CAMP ENRICHMENT PROGRAMS FOR CHILDREN
AT THE BELLE HAVEN YOUTH CENTER**

WHEREAS, the City of Menlo Park operates the Belle Haven Youth Center and its associated summer programs (Camp Menlo, Beechwood Elementary After School Program Camp, and Summer of Service); and

WHEREAS, the purpose of the summer programs at the Belle Haven Youth Center, in part, is to provide a safe and healthy environment for children to learn and develop during out-of-school-time; and

WHEREAS, the City of Menlo Park has been awarded San Mateo County Summer 2022 Enrichment Grant award in the amount of \$33,152 to support and expand summer camp programs for low-income and vulnerable children at the Belle Haven Youth Center, including Camp Menlo, Beechwood Elementary Afterschool Program Camp, and Summer of Service;

NOW THEREFORE BE IT RESOLVED, that the City of Menlo Park, accepts and appropriates the San Mateo County Summer 2022 grant award in the amount of \$33,152 to support and expand summer camp programs for low-income and vulnerable children at the Belle Haven Youth Center, including Camp Menlo, Beechwood Elementary Afterschool Program Camp, and Summer of Service.

NOW THEREFORE BE IT FURTHER RESOLVED, that the City of Menlo Park directs the City Manager to execute all necessary documentation in order to accept and appropriate said grant award.

I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twelfth day of April, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of April, 2022.

Judi A. Herren, City Clerk

From: [SMC_summerenrichment](mailto:SMC_summerenrichment@smcgov.org)
To: [Chaw, Sheriann J](mailto:Chaw.Sheriann@smcgov.org)
Cc: [SMC_summerenrichment](mailto:SMC_summerenrichment@smcgov.org)
Subject: San Mateo County Summer 2022 Enrichment Grant Program
Date: Friday, March 11, 2022 5:10:41 PM
Attachments: [Summer grant attestation document.pdf](#)
[W-9.pdf](#)

CAUTION: This email originated from outside of the organization. Unless you recognize the sender's email address and know the content is safe, DO NOT click links, open attachments or reply.

Dear City of Menlo Park (Camp Menlo, Beechwood ASP Camp, Summer of Service),

Congratulations! Your application for the following sites has been preliminarily selected for funding by the County Summer 2022 Enrichment Grant program in the following amount.

Camp Menlo: Total Award Amount: \$13,120.00
Program Funds: \$13,120.00
Infrastructure Funding: \$0.00
Beechwood ASP Camp: Total Award Amount: \$8,412.00
Program Funds: \$8,412.00
Infrastructure Funding: \$0.00
Summer of Service: Total Award Amount: \$11,620.00
Program Funds: \$11,620.00
Infrastructure Funding: \$0.00

The grant is contingent on completing the following steps by **2:00pm on Wednesday, March 16, 2022.**

1. Please complete and email the following documents to smc_summerenrichment@smcgov.org. Please be sure to submit each file with the following naming convention: "program name_site name_W-9" and "program name_site name_attestation".
 - a. Signed W-9 form (PDF attached, also available online <https://www.irs.gov/pub/irs-pdf/fw9.pdf>). The grant funding check will be mailed via priority express mail to the address provided on the W-9 form.
 - b. Signed attestation form (PDF attached).
2. Complete this online form: <https://forms.office.com/g/i5XcepKTzD>.

If you have any questions, please email us at smc_summerenrichment@smcgov.org.

Sincerely,

San Mateo County Grant Team
SMC_SummerEnrichment@smcgov.org



STAFF REPORT

City Council

Meeting Date: 4/12/2022

Staff Report Number: 22-066-CC

Consent Calendar: Receive and file 2021 priorities, work plan quarterly report as of March 31, 2022, and advisory body work plan update

Recommendation

Staff recommends the City Council receive and file the 2021 priorities, work plan quarterly report as of March 31, 2022, and advisory body work plan update.

Policy Issues

City Council adopts annual priorities to prioritize limited resources.

Background

City Council adopted its 2021 priorities and work plan at the April 20, 2021, meeting. On September 21, 2021, staff transmitted an informational update on the status of priorities as of July 31, 2021, and February 8, 2022 staff transmitted an informational update on the status of priorities as of December 31, 2021.

Analysis

This report transmits an update as of March 31, 2022 (Attachment A) and contains the best information available, reflecting demands on executive and management resources due to work on City Council priorities, maintenance of regular operations, emergencies and unexpected demands on resources, and staff attrition. As shown in Attachment A, the update includes two categories of work efforts:

- City Council priorities. Designation of a project as a priority clarifies that staff may strategically realign limited resources to achieve the stated milestones for priority projects. The realignment may delay work on other projects or impact services to the public.
- City Council work plan. Work plan projects reflect City Council goals. The distinction between a “priority” and a “work plan” project is that resources may be shifted away from work plan projects and public services, if necessary, to make progress on priority projects.

Staff has also compiled a list of requests and recent direction from the City Council from 2021 to-date (Attachment B.)

In addition, staff has provided an update of the work plans for the following advisory bodies (Attachment C):

- Complete Streets Commission
- Environmental Quality Commission
- Finance and Audit Committee
- Housing Commission

- Library Commission
- Parks and Recreation Commission

Impact on City Resources

This report transmits an informational update on the status of the priorities and work plan efforts underway. As shown in Attachment A, resources are not available to advance all the priority and work plan efforts at this time.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. City Council adopted 2021 priorities and work plan progress report as of March 31, 2022
- B. City Council requested work efforts
- C. Advisory body work plans

Report prepared by:
Judi A. Herren, City Clerk

Report reviewed by:
Justin Murphy, Interim City Manager

Table 1: 2021 Adopted priorities			
Name	Project overview	3/31 status	3/31 update
01. Redistricting	Every ten years, local governments use new census data to redraw their district lines to reflect how local populations have changed. Assembly Bill 849 (2019) requires cities and counties to engage communities in the redistricting process by holding public hearings and/or workshops and doing public outreach, including to non- English-speaking communities.	In progress	The Independent Redistricting Commission (IRC) has held five public hearings to consider map submissions. The last day for public map submission was March 25, 2022. As of March 31, 2022, the IRC has considered a total of 24 viable maps. Implemented public engagement efforts included, redistricting webpage (including mapping tools and redistricting survey), redistricting flyers posted at open City facilities, redistricting map worksheets placed at the Arrillaga gymnasium, Arrillaga recreation center, Belle Haven branch library, City Hall, Menlo Park library, and police department, weekly digest updates, social media, webpage updates, dedicated computer kiosks at libraries for district mapping, and Almanac web banner ad. The Almanac web banner ad (January 2, 2022–March 16, 2022) captured eight ad clicks and 19,242 ad impressions/views. The redistricting webpage (February 24, 2022–March 17, 2022) captured 662 unique page views and 42 seconds average time on page. Social media (January 1, 2022–March 17, 2022) captured: 19 social media posts, 30 post clicks, and 8,647 post impressions/views. Zoom captured unique public attendees December 18, 2021 –three individuals, January 27, 2022–seven individuals, February 10, 2022–seven individuals, February 24, 2022–six individuals, March 3, 2022–five individuals, March 10, 2022–10 individuals, March 24, 2022–17 individuals, and March 31, 2022–11 individuals. Map submissions by month captured December 2021–seven maps, January
02. Reimagining public safety	City Council established a Re-imagining Public Safety Subcommittee, composed of Vice Mayor Wolosin, City Councilmember Taylor, the city manager, and the police chief. An academic, Dr. Terri Givens, was added to the team to facilitate public discussion on policing. Focus groups will be held to generate public feedback on policing, the department will conduct public presentations to increase transparency, and a Community and Police Advisory Team will be established to provide the department with a resource for public feedback and collaboration.	Done	The City has "Safe Space" meetings scheduled in all five districts, and has completed the first two scheduled meetings for Districts 5 and 4. Comments from participants are being collected and trends and questions are being referred back to Menlo Park Police Department (MPPD), without attributing the comments to any particular individuals.
03. CAP #1 - Explore policy/program options to convert 95% of existing buildings to all-electric by 2030	Achieve the following milestones to project completion: 1. May 2021: Complete cost effectiveness analysis on various policy/program pathways toward achieving 95% electrification by 2030. 2. June 2021: Environmental Quality Commission (EQC) provides advice to City Council on cost effectiveness analysis and potential pathways to achieve electrification goals for existing buildings. 3. July/August 2021: City Council reviews policy/program options and EQC recommendations and directs staff on next steps.	In progress	Highlights include exploring a partnership with BlocPower. Staff is also proposing to pause addressing permit barriers to electrification in order to explore possible electrification reach codes for existing buildings in order to continue to advance the goals of the Climate Action Plan adopted by the City Council. Additional details will be provided at an upcoming City Council meeting.

Table 1: 2021 Adopted priorities			
Name	Project overview	3/31 status	3/31 update
04. 2022 housing element and related zoning code updates and documents	Housing Elements are housing plans that are one part of the General Plan – a guide to all the ways each city, town or county is planned and managed, from our roads and sidewalks to our parks and neighborhoods. With an update required every eight years by the State of California, this Housing Element update will create a foundation for all the policies and programs related to housing.	In progress	The project team is preparing the draft Housing Element to circulate for public review and feedback by the Housing Commission, Planning Commission and City Council in early May. The City Council approved a contract and scope amendment to partner with a community-based organization to lead the community engagement and outreach efforts on the Environmental Justice and Safety Element update and dissolved the Community Engagement and Outreach Committee (CEOC). The project team is partnering with Climate Resilient Communities (CRC) to conduct outreach related to the Environmental Justice Element and Safety Element update, with a community meeting scheduled for April 5, 2022.
05. ConnectMenlo community amenities list update	Review community amenities procedures and update community amenity list associated with bonus level developments in the Bayfront Area.	In progress	The City Council Subcommittee has begun reviewing drafts of implementing regulations and updated list. Recommendations for the full City Council's consideration are targeted for late Spring 2022.
06. Menlo Park Community Campus building	In December 2019, the City Council received a proposal from Facebook Inc. proposing to explore funding and development of a new multi-generational community center and library located in Menlo Park's Belle Haven neighborhood, replacing the existing community center, senior center, youth center, pool house, and library facilities. Identified as a City Council priority on January 28, 2020, this project would deliver the City's funding contribution to the project.	In progress	The building foundation was completed and steel erection began in March 2022. The second floor concrete deck pour is scheduled for the beginning of May, with the exterior skin starting this summer. Construction is slated for completion by spring/summer 2023.
07. Reimagining downtown	Project scope has yet to be established. Requires City Council direction.	On hold - capacity	The Downtown Market Study was released in February and presented to City Council in March. Further work is on hold. Focusing resources on parklets.
08. Caltrain rail corridor quiet zone analysis	This study would fund a review of grade crossing improvements needed to consider a quiet zone along the Caltrain corridor at the Encinal, Glenwood, Oak Grove and Ravenswood Avenue crossings.	In progress	The City released a request for proposal (RFP) in February and has extended the period of response to the request for proposals to ensure that there are multiple, qualified proposers and anticipates selecting a preferred consultant by June 2022.
09. CAP #4 - Middle Avenue rail crossing and complete street	This project would provide a grade-separated crossing through the Caltrain railway to create a pedestrian/ bicycle connection near Middle Avenue, between Alma Street near Burgess Park and El Camino Real at the proposed open space plaza as identified in the El Camino Real/Downtown Specific Plan. The project would develop detailed design plans and construct the project. As part of the terms of the development agreement for Middle Plaza at 500 El Camino Real, Stanford University is required to make a contribution towards the cost of the project, 50 percent of the cost, up to \$5,000,000. In May 2020, the Santa Clara County Board of Supervisors also allocated \$1,000,000 in funds for this project through the Stanford University recreation mitigation fund established during the 2000 General Use Permit approvals.	In progress	City Council approved the Purchase and Sale Agreement to complete the right of way for the undercrossing in January 2022. Staff continues to coordinate with Caltrain on review of the undercrossing design and potential construction method. Staff also launched the Middle Avenue Complete Streets project, conducted an in person and online outreach meeting and an online survey in March 2022. Staff are reviewing the findings of that outreach.

Table 2: 2021 Adopted Work Plan

Name	Project overview	3/31 status	3/31 update
10. Racial equity - NLC REAL program and baseline project	<p>Created in 2015 in the wake of social unrest in Ferguson, Missouri, NLC's Race, Equity And Leadership (REAL) program helps to empower and equip local officials with tools to address racial disparities in their communities.</p> <p>As local leaders look to reimagine government policies, procedures, and processes to build more equitable communities, REAL is available to help cities and towns learn the impact of historical inequities and design programs that dismantle structural and system racism. REAL provides training with local elected officials and municipal staff, seminars for municipal staff and local elected officials, customized training to match city needs.</p>	On hold - staff capacity	No update since December 31, 2021.
11. CAP #2 - Set citywide goal for increasing EVs and decreasing gasoline sales	Defer implementation to the Beyond Gas Initiative (BGI)8 under Joint Venture Silicon Valley. Staff will continue to work with BGI within current staff capacity using existing communication mediums to promote and market information from BGI.	Done	
12. CAP #3 - Expand access to electric vehicle (EV) charging for multifamily and commercial properties	Resources will be used to monitor the effectiveness of state and regional charging infrastructure incentives, and the City will promote/market the incentives to multifamily property owners using existing databases and communication mediums. In addition, \$5,000 to \$10,000 in additional incentives will be allocated to further motivate at least two multifamily property owners with existing units/buildings to install electric vehicle (EV) charging infrastructure.	In progress	Highlights include presenting to the Environmental Quality Commission on February 16, 2022 a matching EV charging station rebate for existing multifamily properties participating in the Peninsula Clean Energy EV charging incentive program. This will then be presented to the City Council in the Spring. The City Council also approved installing 27 EV charging capable spaces for the Menlo Park Community project.
13. CAP #4 - Reduce vehicle miles traveled (VMT) by 25% or an amount recommended by the Complete Streets Commission	Resources will be used to focus on current work underway that would reduce VMT that includes the SB2 Housing grant, completion of the Transportation Management Association feasibility study, and implementation of VMT guidelines for new development adopted in June 2020. In addition, the Complete the Streets Commission's work plan includes prioritizing projects in the Transportation Master Plan that would reduce VMT. The Complete Streets Commission two-year work plan will be amended to include a future work effort to set a VMT reduction target in 2022 dependent upon staff resourcing to support this effort, provided it does not impact delivery of capital projects planned for the same timeframe.	In progress	The Complete Streets Commission Multimodal Metrics subcommittee reported out on work develop multimodal metrics in March 2022. Subcommittee priorities included safety, multimodal network connectivity, and tracking the status of Transportation Master Plan projects. Safety and connectivity metrics were identified in part to help demonstrate implementation of VMT reduction strategies by providing a transportation network that enables travel by non-automobile modes of travel.
14. CAP #4a - Transportation management association (TMA) formation	The goal of a TMA is to coordinate logistics and TDM services amongst multiple member businesses. Instead of an individual business providing TDM services for their employees, a TMA allows multiple businesses to share TDM resources. TDM services may not be cost-effective and well-utilized at individual businesses, so a TMA creates cost-efficiency and a shared burden amongst everyone, allowing smaller businesses to access some services that they would normally not be affordable.	In progress	The City officially joined commute.org. Staff are continuing to coordinate with Manzanita Works.

Table 2: 2021 Adopted Work Plan

Name	Project overview	3/31 status	3/31 update
15. CAP #5 - Eliminate the use of fossil fuels from municipal operations	Utilize current resources and available budget toward eliminating fossil fuels in building the new Menlo Park Community Campus. In addition, if there are fossil fuel appliances or assets at the end of its life, a non-fossil fuel option as a replacement will be the default unless infeasible. Additional appropriations may be required for non-fossil fuel assets or appliances that have a cost premium. Specifically in 2021-22, the City will focus on expanding a pilot program to transition landscaping equipment from gas to electric. In future years, as City contractor agreements are procured, the City will incorporate a request for landscaping equipment as well. A Sustainable Fleet Policy was adopted in 2020. There will be additional opportunities for comprehensive non-fossil fuel asset or appliance replacement planning through the upcoming Corporation Yard Needs Assessment and Facilities Inventory and Maintenance Plan, which were funded in 2021-22 capital improvement plan.	In progress	Clean energy infrastructure project approved for the Menlo Park Community Campus project. Includes renewable energy production and energy storage, solar thermal pool heating and electric vehicle charging stations. Optony Inc. was also hired to support implementation of this goal. A management analyst was also hired in Sustainability to lead this effort. Work is beginning on the Facilities Inventory and Maintenance Plan to inventory existing city buildings and building equipment, prioritize maintenance needs and update preventative plans. This work lays the groundwork for future building electrification plans. The City entered into an agreement with Bureau Veritas for this Plan, evaluating the City's 26 existing facilities. Onsite inspections will occur from March through May. The City will review and provide feedback on a draft in June, the final version is expected to be complete in August.
16. CAP #6 - Develop a climate adaptation plan to protect the community from sea level rise and flooding	Continue to participate in and monitor One Shoreline, a flood and sea level rise resiliency district, that was formed to support planning and mitigation measures for coastal erosion, sea level rise, and flooding threats up to 2100. Menlo Park is a member of this agency and pays dues annually through funds provided in the capital improvement plan. This work covers Menlo Park's neighborhoods adjacent to the bay and creeks. In February 2021, One Shoreline's board of directors authorized the Bayfront Canal and Atherton Channel Flood Protection and Ecosystem Restoration project to go out to bid. Bidding is currently underway for pre-qualified bidders and construction is expected to begin in mid-2021. Resources will be utilized to continue to actively work with neighboring communities and other agencies to close gaps not addressed by the above projects and seek further funding.	In progress	Construction on the Bayfront Canal/Atherton Channel project is substantially complete.
17. CAP #6a - Menlo Park SAFER Bay implementation	This project provides funds to support the staff time needed to continue to implement SAFER Bay. In September 2020, PG&E approached the City about partnering on a FEMA grant opportunity to address sea level rise impacting the Ravenswood Electrical Substation consistent with the SAFER Bay project and the recently completed Dumbarton Bridge West Approach + Adjacent Communities Resilience Study. Following initial coordination, the City, SFCJPA and PG&E also reached out Facebook to consider providing additional funding to expand the project. The FEMA grant is a program offering up to \$50 million per project to reduce risks from disasters and natural hazards. The City Council authorized a letter of support for the application on November 17, 2020. PG&E, the SFCJPA, Facebook and the City collaborated on the required documentation for a Building Resilient Infrastructure and Communities (BRIC) application, which was submitted to CalOES by December 3, 2020. Cal OES submitted the grant application for FEMA consideration on January 27. FEMA notified the City in summer 2021 of potential award.	In progress	In January 2022, the City Council authorized execution of an agreement with SFCJPA, Meta, and PG&E in anticipation of award of the FEMA BRIC grant for a portion of SAFER Bay. The agreement is routing to the partners for execution. Staff is continuing to work collaboratively with SFCJPA and OneShoreline to explore funding to complete construction of SAFER Bay.
18. Public health advocacy (COVID-19, mental health)	Project scope has yet to be established. Requires City Council direction.	On hold - capacity	No update or anticipated timeline.
19. Caltrain grade separation	The existing Ravenswood Avenue Caltrain crossing is a critical rail crossing within Menlo Park. It is within the El Camino Real/Downtown Specific Plan Area and falls within the City's Priority Development Area. The project would fund the additional scope of work requested by the City Council in 2018 to evaluate a fully elevated alternative and advance engineering design of a chosen preferred alternative.	On hold - capacity	Staff submitted an update to the CPUC Section 190 grant in fall of 2021. The draft rankings were released early in 2022, with Menlo Park ranked fourth in the state. Staff is also tracking federal infrastructure funds that may help advance the project, but has otherwise been on hold.

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20. Willow Road traffic calming	Project scope has yet to be established. Requires City Council direction.	On hold - pending direction	No update or anticipated timeline.
21. Coleman and Ringwood Avenues Transportation Study	Joint project with San Mateo County to evaluate traffic calming and multimodal safety improvement options for Coleman and Ringwood Avenues.	In progress	Staff worked with San Mateo County staff to launch the study and begin work on an outreach plan and existing conditions. A community advisory committee is being formed and will hold its first meeting in April 2022.

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New City Council requests or direction to advance new initiatives		
Name	Date requested or direction provided	3/31 status
01. Study session on the Bay-Delta Plan	Requested by the City Council during adoption of the 2020 Urban Water Management Plan on May 25, 2021.	On hold - capacity
02. Follow up on parks projects and Measure T funds	Requested by City Council on August 17, 2021.	On hold - capacity
03. Follow up on the selected construction method for Chilco Street median islands	Requested by the City Council on September 21, 2021. City manager reported on October 23, 2021 regarding the outreach conducted, that a two-week roadway closure to allow construction was selected, and that construction was to be delayed until spring 2022.	Completed
04. Follow up on pedestrian safety measures in the Bayfront area in response to development	Requested by the City Council on October 23, 2021.	In progress
05. Request for future agenda item to add the identification of parks to the municipal code	Requested by the City Council on October 23, 2021.	Future item
06. Study session on leaf blower restriction ordinance (enforcement, trade-in program, education)	Requested by the City Council on November 16, 2021.	In progress
07. Adopt wireless facility ordinance	Staff requested City Council direction on November 16, 2021 to return with an ordinance for adoption.	In progress
08. Provide direction on restarting the Neighborhood Traffic Management Program	Requested by the City Council on November 16, 2021.	In progress
09. Annual update on the status of City's annex plan to the San Mateo County Local Hazard Mitigation Plan	Requested by the City Council on November 16, 2021.	Future item
10. Follow up on Springline traffic	Requested by the City Council on December 7, 2021.	Future item
11. Follow up on Sharon Rd/Eastridge Ave safety, if action or budget required by the City Council	Requested by the City Council on December 7, 2021.	Completed
12. Adopt SB9 regulations	Staff requested City Council direction on December 14, 2021 to return with ordinance updates to respond to recent state housing legislation (SB9).	In progress
13. Provide direction on guidelines, regulations and restrictions for impact fees	Requested by the City Council on January 15, 2022.	On hold - capacity
14. Develop permanent design guidelines and permitting process for downtown outdoor uses	Staff requested City Council direction on January 25, 2022.	In progress

Advisory body work plan updates			
Advisory body	City Council approval date	Approved work plan	Work plan items for future City Council approval/action
Complete Streets Commission	October 12, 2021	<ol style="list-style-type: none"> To advance the goals of the city's newly adopted Climate Action plan by making alternatives to driving safer and more attractive. Advise City Council on the implementation of the TMP. Continue to advocate for and advise the Council on the planning and installation of the Middle Avenue pedestrian and bicycle rail crossing, and safe cycling/pedestrian infrastructure connecting the Burgess complex to the Middle Avenue corridor to Olive Street, and north on Olive Street to Hillview Middle School. Continue to support Council in ongoing initiatives to improve access to Downtown and support downtown businesses. Continue to support the implementation of the Safe Routes to School strategy and advocate for community engagement, program continuity and engineering implementation. Continue to support City Council's role as a stakeholder with regard to regional multimodal and transportation demand management programs projects to increase sustainable transportation for Menlo Park. 	<ul style="list-style-type: none"> -Update the transportation impact analysis guidelines to include multimodal study metrics -Evaluate the current process and procedure of the neighborhood traffic management program (TMP Project No.165) -Evaluate the current state of the safe routes to school program -Request the City Council to allocate staff resources to assist the multimodal Subcommittee to review future transit related study recommendations that could impact the City of Menlo Park and develop an action list for City Council approval
Environmental Quality Commission	February 8, 2021	<ol style="list-style-type: none"> Climate Action Plan (CAP). Urban canopy preservation. Green and sustainable initiatives. Gas Powered Leaf Blower Ordinance. 	Climate Action Plan related items
Finance and Audit Committee	August 17, 2021	<ol style="list-style-type: none"> Annual investment policy review Annual independent auditor's report review OpenGov transparency portal improvements and community training Capital improvement plan review 	<ul style="list-style-type: none"> -OpenGov transparency portal improvements and community training -Capital improvement plan review
Housing Commission	November 17, 2020	<ol style="list-style-type: none"> Increase production of Accessory Dwelling Units (ADUs) Partner with and support Community Land Trusts (CLTs): Increase Density/Zoning (density and height): Identify sites where affordable housing can be built on publicly owned land and high opportunity sites Administration/Strategies Community Engagement 	<ol style="list-style-type: none"> Staff is evaluating a proposal with MidPen Housing that seeks to create a CLT. An initial funding request from the BMR Housing Fund is expected to return to City Council during the current fiscal year. The Housing Commission reviewed and approved the proposal on March 4, 2021. Affordable housing site identification is an ongoing part of the Housing Element Update, which will continue to be presented at various public meetings including City Council and Housing Commission. The next NOFA release is tentatively scheduled for November 2022.
Library Commission	November 9, 2021	<ol style="list-style-type: none"> Support and advise the development of the Menlo Park Community Campus project (MPCC) in the areas of library programming, service integration, and library policies within the shared space environment in the new facility, as directed by City Council Support and advise the advancement of the overall Library Systems Improvement Program, as directed by City Council Establish a plan and timeline to periodically review the library's public-facing policies and recommend updates, as required, with a special focus on policies that may be impacted by shared space operations at the new MPCC Establish an understanding of and advise on the library needs of the community during the current COVID pandemic and in other emergencies. This may include a review of library policies and services related to adaptations made by the library in response to emergencies. Of particular interest is how the current pandemic is affecting user access, how library service is changing, the impact of technology on the provision of library services, and how the Commission might help increase equitable access for community members Establish a plan and timeline to periodically receive staff presentations and reports about major Library service areas and programs and Commissioner liaison reports about affiliates. Maintain a 12-month schedule of planned Commission agenda items; update and post for public review monthly Encourage and facilitate robust public comment and participation at Commission meetings Foster a public meeting environment that is inclusive of all members of the diverse Menlo Park community. Support the filling of openings on the Commission and the effective onboarding of new Commissioners 	None
Parks and Recreation Commission*	August 6, 2018	<ol style="list-style-type: none"> Research and evaluate the social services and recreation opportunities in the City of Menlo Park, particularly in the Belle Haven Neighborhood resulting in high quality programs and services meeting the diverse and changing needs of residents throughout the City. Study and evaluate, through such means as the Master Plan process, operational planning goals, utilization options, and guidelines for City Park and Community Services facilities resulting in facilities and equipment being properly maintained, upgraded and/or expanded to meet community needs. Research and evaluate improved offerings, new venues, and strengthened City partners and sponsorships that results in high quality educational, recreational, artistic, and cultural programs in the City of Menlo Park. 	<ol style="list-style-type: none"> Facilitate the goals laid out in the 2019 Parks and Recreation Master Plan. Provide high quality programs and services for Menlo Park residents. Maintain, upgrade, and expand city parks and facilities. Enhance public awareness and engagement. Include diverse community perspectives. Prioritize accessibility, safety, and sustainability. <ul style="list-style-type: none"> -Specific Examples -Gather feedback on Willow Oaks park improvements. <ul style="list-style-type: none"> -Discuss and gather information on the pros and cons of contracting out city services. -Review the pickle ball court additions. -Invite members of the public on commission park tours. -Balance Belle Haven versus neighboring community needs in the new Menlo Park Community Center. -Develop strategies to mitigate the risks of off-leash dogs harming children

* Proposed work plan was brought to the City Council on February 3, 2022 and continued to a future meeting.



STAFF REPORT

City Council
Meeting Date: 4/12/2022
Staff Report Number: 22-059-CC

Regular Business: Receive and file report on labor relations and receive public input on upcoming labor negotiations with Menlo Park Police Sergeant's Association

Recommendation

Receive and file report on employee compensation and receive public input on upcoming labor negotiations with Menlo Park Police Sergeant's Association (PSA.)

Policy Issues

This report is prepared in accordance with City Council Procedure #CC-11-0001, public input and outreach regarding labor negotiations.

Background

The current memorandum of understanding (MOU) with the Menlo Park PSA is due to expire June 30, 2022. Pursuant to best labor-management practices, it is time to open negotiations on a successor agreement. The PSA represents the single classification of police sergeant, with nine (9) full-time positions funded in the fiscal year 2021-22 budget.

Analysis

This report transmits personnel and process information to members of the City Council, the subject bargaining units, and the public to inform upcoming labor negotiations with PSA. If the parties cannot agree on a successor agreement, the terms of the existing agreement remain until successful negotiation of a successor agreement.

Labor contract negotiations are governed by the Meyers-Milias-Brown Act (MMBA), Government Code section 3500. MMBA requires that local agencies meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized collective bargaining units. MMBA further requires that the City fully consider proposals made by collective bargaining unit representatives before arriving at a determination of policy or course of action.

Negotiable items with direct costs

Table 1 provides baseline personnel expense categories for the PSA and other employee groups to quantify the financial impacts of desired changes by either negotiating party and unit perspective.

Table 1: 2021-22 baseline personnel costs by group							
Group	Base pay	Special pays	Allowances	Retirement	Health and welfare	Other fringe benefits	Total
Represented non-sworn personnel							
SEIU	13,142,036	n/a	n/a	2,836,138	3,495,744	997,873	20,471,790
AFSCME	5,063,998	n/a	n/a	898,570	927,768	326,368	7,216,705
Subtotal	18,206,034	-	-	3,734,708	4,423,512	1,324,241	27,688,495
Represented sworn personnel							
POA	4,085,953	405,665	33,280	1,976,245	599,040	198,080	7,298,262
PSA	1,464,337	229,517	9,360	1,182,408	203,040	74,699	3,163,361
Subtotal	5,550,289	635,182	42,640	3,158,652	802,080	272,779	10,461,623
Unrepresented							
Confidential	609,394	n/a	n/a	111,458	157,392	54,784	933,028
Management	4,564,705	n/a	155,724	729,794	979,992	345,105	6,775,320
Subtotal	5,174,099	-	155,724	841,252	1,137,384	399,890	7,708,348
Grand total	28,930,421	635,182	198,364	7,734,612	6,362,976	1,996,910	45,858,466

Attachment A contains detailed expenditure breakdowns for PSA. Attachments B and C provide web links to labor agreements and salary schedule. Attachment D provides medical benefit plan information. The following defines the elements of each column above.

Base pay. Base pay is the pensionable wage for all budgeted full-time equivalent (FTE) personnel, filled or vacant. Full-time equivalent is defined as one individual working 40 hours per week or receiving a flat salary. A position scheduled to work less than 40 hours per week is shown as a fraction of 1.0. For example, a position scheduled to work 30 hours per week is considered 0.75 FTE. Temporary employees, employees working fewer than 20 hours per week or 960 hours per year, only receive benefits mandated by State or Federal law.

Special pays. The City provides special pay to PSA personnel that are added to pensionable wages. Examples include longevity, shift differentials, and Police Officer Standards and Training (POST) certification.

Allowances. Allowances are not pensionable wages and are provided to offset employee costs incurred in the exercise in their duties. Example allowances include maintaining uniforms for police officers and transportation allowance for unrepresented management personnel instead of maintaining a dedicated city vehicle for their use.

Retirement. Retirement includes CalPERS costs incurred by the employer for the defined benefit pension plan. All regular employees represented, or unrepresented are enrolled in CalPERS per California Public Employees' Retirement Law Chapter 3 Article 1, and do not earn Social Security credits while working for Menlo Park. A link to the most recent CalPERS actuarial report for this benefit plan is available as Attachment E.

Health and welfare. Health and welfare primarily reflect cafeteria plan contribution for employees to select a medical insurance plan offered by the Public Employee's Medical and Hospital Care Act (PEMHCA), administered by CalPERS. In addition to medical, this column also includes City-paid dental and vision coverages for eligible employees and their dependents. Historical medical premium information for single only coverage is provided in Attachment F.

Other fringe benefits. Other fringe benefits include life insurance, accidental death and dismemberment (AD&D) insurance, Medicare and workers' compensation insurance.

Attachment A contains detailed expenditure breakdowns for PSA. Generally, cost differentials between the various pension tiers are notable. However, PSA is currently comprised of CalPERS Tier 1 employees. Because of the tenure of the current employees, Tier 2 and PEPRCA CalPERS pension reform benefits do not apply to this unit. The CalPERS Safety Tier 1 actuarial valuation is provided in Attachment E.

Negotiable items with indirect costs

In addition to the direct costs outlined above, indirect costs items are also open to negotiation. Either side may seek changes in other factors subject to MMBA, such as paid-time-off, tools and equipment, employee engagement and retention efforts, and professional development opportunities.

Roles during labor contract negotiations

The following provides an overview of major roles in the process to promote understanding of the labor contract negotiation process:

City Council. The City Council designates the City's chief negotiator, authorizes the city's initial bargaining position, considers proposals made by collective bargaining unit representatives through the chief negotiator, and ultimately approves a successor agreement. City Council receives data, analysis, and recommendations from the city manager and designated City staff. City Council Procedure #CC-11-0001, establishes early release requirements for all matters about labor negotiations. Other than approving the successor agreement, the City Council may elect to hold all labor negotiations discussions in closed session.

Chief negotiator. The City retains labor attorney Charles Sakai from Sloan Sakai to advise on personnel matters, including on all issues under MMBA including chief negotiator during labor agreement discussions. Mr. Sakai prepares all proposals, counter-proposals, and tentative agreements and is authorized to execute tentative agreements consistent with negotiating authority granted by City Council. Mr. Sakai also consults the city manager, or designee, on workplace impacts of proposals, counter-proposals and tentative agreements.

City manager. The city manager is responsible for the efficient administration of all city services, and administration of the City Council approved budget. In the negotiations process, the city manager advises City Council and the chief negotiator on management matters subject to MMBA. The city manager also advises on recruitment and retention tools, employee engagement, and emerging trends in regional workforce management. The city manager designates city staff to support the chief negotiator.

Designated city staff. Labor negotiations can be a time-intensive process requiring significant preparation, coordination, analysis and follow-up work. The city manager typically will assign the assistant city manager, human resources manager, and two management analysts to support the process. To the greatest extent possible, information about labor negotiations is limited to individuals authorized by the city manager such as how a proposal might impact operations.

Collective bargaining unit's chief negotiator. Each bargaining unit identifies a chief negotiator. The City's negotiating team commits to communicating only with the bargaining unit's chief negotiator unless otherwise authorized by the bargaining unit's chief negotiator.

Collective bargaining unit negotiating team. Each bargaining unit identifies a negotiating team of active city employees to advise their collective bargaining unit's chief negotiator through the labor contract negotiations process. The negotiating team typically meets amongst itself and is also present during all negotiation meetings.

Negotiations calendar and process

City management will provide City Council with its recommended bargaining position by unit and strategy at their April 19 closed session. Time on the City Council's tentative agenda is reserved for each regular meeting after that to ensure City Council agenda capacity for labor negotiation conversations.

City Council will provide the city negotiator with direction to engage the units under the MMBA requirement to negotiate successor agreements with recognized employee groups. The first meeting between the two parties typically includes:

- Introductions
- Ground rules for negotiations
- Future meetings and time constraints
- Discussion of material contained in this report
- Discussion of any additional information requests from the bargaining unit
- Preliminary discussion of interest areas on both sides

At their April 19 closed session, the City's chief negotiator will provide the City Council with a negotiation strategy and initial bargaining authority recommendation. The chief negotiator will brief the City Council in closed session as necessary after that.

The following calendar identifies key dates that impact negotiation of successor agreements before the expiration of current agreements.

- March 28 – City staff release report on negotiations with PSA.
- April 12 – Members of the public offer their input on the City's negotiations position for City Council

consideration.

- April 19 – City Council meets in closed session, confirms negotiating teams, and provides initial bargaining authority to chief negotiator
- April 19 to May 31 – City and PSA negotiate successor agreement
- June 3 – Deadline for PSA membership to ratify tentative successor agreement for effective date of July 1, 2022
- June 13 – Staff report release for ratified tentative successor agreement with PSA
- June 28 – Public meeting for City Council consider ratification of a successor agreement with PSA effective July 1

Resources available to City Councilmembers

Attachment G, “Understanding the Labor Negotiations Process produced by the Institute for Local Government,” further describes the roles, process and requirements of labor negotiations.

Impact on City Resources

There are no impacts on City resources as a result of receiving input on this issue. The cost of negotiating this contract is estimated at approximately \$30,000 inclusive of the chief negotiator’s fees and internal staff time. Additional consulting services may be required depending on the scope of negotiation. City Council will meet in closed session to provide direction to the City’s negotiating team. The negotiators will meet and confer with the PSA negotiation team to reach a tentative agreement before the expiration of the current agreements. Once a tentative successor agreement is ready for City Council ratification, the fiscal impact of that tentative agreement will be released 15-days before the City Council vote at a public meeting.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the report 15 days prior to the City Council meeting of April 12, 2022.

Attachments

- A. 2020-21 baseline expenditures costs for PSA
- B. Hyperlink – City of Menlo Park labor agreements: menlopark.org/388/Labor-agreements
- C. Hyperlink – City of Menlo Park salary schedule effective 09/21/2021: beta.menlopark.org/Government/Departments/Administrative-Services/Human-Resources/Salary-schedule
- D. 2022 Police Sergeants’ Association health plan choices and City contributions
- E. City of Menlo Park safety plan Tier 1 CalPERS actuarial valuation report as of June 30, 2020
- F. Hyperlink – 2021 and historical CalPERS medical premiums compiled by Bartel & Associates: bartel-associates.com/resources/pemhca-cerbt/2020/07/21/2021-and-historical-calpers-medical-premiums

G. Understanding the Labor Negotiations Process produced by the Institute for Local Government

Report prepared by:

Kristen Strubbe, Interim Human Resources Manager

Marvin Davis, Interim Finance and Budget Director

Mary Morris-Mayorga, Retired Annuitant – serving as Interim Administrative Services Director

City of Menlo Park

FY 2021-22 budgeted PSA personnel cost

Salary

Base	1,454,013
COLA	6,398
Merit	3,926
Salary Total	1,464,337

Special Pays

Assignment 2%	6,254
POST 10%	145,794
Longevity 2%	6,489
Longevity 4%	13,133
Longevity 6%	19,700
Longevity 8%	38,148
Special Pays Total	229,517

Allowances

Uniform	9,360
Allowances Total	9,360

Retirement

ER Share Tier 1	401,443
EE Share Tier 1	(50,816)
Unfunded Tier 1	831,780
Retirement Total	1,182,408

Healthcare

Medical	181,872
Dental & Vision	21,168
Healthcare Total	203,040

Other benefits

Life, ADD, LTD	11,857
Medicare	24,561
Workcomp	38,281
Other benefits Total	74,699

PSA Total	3,163,361
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Health Plan Premiums: Bay Area Region

2022 PSA

Health plan	Employee only		Employee + 1		Employee +2 or more	
	Monthly premium	After \$888 City contribution	Monthly premium	After \$1730 City contribution	Monthly premium	After \$2236 City contribution
Anthem Blue Cross Select HMO	\$ 1,015.81	\$ (127.81)	\$ 2,031.62	\$ (301.62)	\$ 2,641.11	\$ (405.11)
Anthem Blue Cross Traditional HMO	\$ 1,304.00	\$ (416.00)	\$ 2,608.00	\$ (878.00)	\$ 3,390.40	\$ (1,154.40)
Blue Shield Access+	\$ 1,116.01	\$ (228.01)	\$ 2,232.02	\$ (502.02)	\$ 2,901.63	\$ (665.63)
Health Net SmartCare	\$ 1,153.00	\$ (265.00)	\$ 2,306.00	\$ (576.00)	\$ 2,997.80	\$ (761.80)
Kaiser Permanente California	\$ 857.06	\$ 30.94	\$ 1,714.12	\$ 15.88	\$ 2,228.36	\$ 7.64
Western Health Advantage	\$ 741.26	\$ 146.74	\$ 1,482.52	\$ 247.48	\$ 1,927.28	\$ 308.72
PERS Gold	\$ 701.23	\$ 186.77	\$ 1,402.46	\$ 327.54	\$ 1,823.20	\$ 412.80
PERS Platinum	\$ 1,057.01	\$ (169.01)	\$ 2,114.02	\$ (384.02)	\$ 2,748.23	\$ (512.23)
PORAC	\$ 799.00	\$ 89.00	\$ 1,725.00	\$ 5.00	\$ 2,199.00	\$ 37.00

Amounts in **green** = additional amount available to you to put toward cafeteria options

Amounts in **(red)** = your out-of-pocket expense

Cash in lieu = \$391 monthly



California Public Employees' Retirement System

Actuarial Office

400 Q Street, Sacramento, CA 95811 | Phone: (916) 795-3000 | Fax: (916) 795-2744

888 CalPERS (or 888-225-7377) | TTY: (877) 249-7442 | www.calpers.ca.gov

July 2021

**Safety Plan of the City of Menlo Park
(CalPERS ID: 3956164441)
Annual Valuation Report as of June 30, 2020**

Dear Employer,

Attached to this letter, you will find the June 30, 2020 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2022-23.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2020.

Section 2 can be found on the CalPERS website (calpers.ca.gov). From the home page, go to "*Forms & Publications*" and select "*View All*". In the search box, enter "*Risk Pool*" and from the results list download the Safety Risk Pool Actuarial Valuation Report for June 30, 2020.

Your June 30, 2020 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution rates as needed. This valuation is based on an investment return assumption of 7.0% which was adopted by the board in December 2016. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017.

Required Contribution

The exhibit below displays the minimum employer contributions for fiscal year 2022-23 along with estimates of the required contributions for fiscal year 2023-24. Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2022-23	23.75%	\$2,504,631
<i>Projected Results</i>		
2023-24	23.8%	\$2,682,000

The actual investment return for fiscal year 2020-21 was not known at the time this report was prepared. The projections above assume the investment return for that year would be 7.00%. ***To the extent the actual investment return for fiscal year 2020-21 differs from 7.00%, the actual contribution requirements for fiscal year 2023-24 will differ from those shown above.*** For additional details regarding the assumptions and methods used for these projections please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This section also contains projected required contributions through fiscal year 2027-28.

Changes from Previous Year's Valuation

There are no significant changes in actuarial assumptions or policies in your 2020 actuarial valuation. Your annual valuation report is an important tool for monitoring the health of your CalPERS pension plan. Your report contains useful information about future required contributions and ways to control your plan's funding progress. In addition to your annual actuarial report my office has developed tools for employers to plan, project and protect the retirement benefits of your employees. Pension Outlook is a tool to help plan and budget pension costs into the future with easy to understand results and charts.

You will be able to view the projected funded status and required employer contributions for pension plans in different potential scenarios for up to 30 years into the future — which will make budgeting more predictable. While Pension Outlook can't predict the future, it can provide valuable planning information based on a variety of future scenarios that you select.

Pension Outlook can help you answer specific questions about your plans, including:

- When is my plan's funded status expected to increase?
- What happens to my required contributions in a down market?
- How does the discount rate assumption affect my contributions?
- What is the impact of making an additional discretionary payment to my plan?

To get started, visit our Pension Outlook page at www.calpers.ca.gov/page/employers/actuarial-resources/pension-outlook-overview and take the steps to register online.

CalPERS will be completing an Asset Liability Management (ALM) review process in November 2021 that will review the capital market assumptions and the strategic asset allocation and ascertain whether a change in the discount rate and other economic assumptions is warranted. In addition, the Actuarial Office will be completing its Experience Study to review the demographic experience within the pension system and make recommendations to modify future assumptions where appropriate.

Furthermore, this valuation does not reflect any impacts from the COVID-19 pandemic on your pension plan. The impact of COVID-19 on retirement plans is not yet known and CalPERS actuaries will continue to monitor the effects and where necessary make future adjustments to actuarial assumptions.

Further descriptions of general changes are included in the "Highlights and Executive Summary" section and in Appendix A of the Section 2 report, "Actuarial Methods and Assumptions."

Questions

We understand that you might have questions about these results, and your assigned CalPERS actuary whose signature is on the valuation report is available to discuss. If you have other questions, you may call the Customer Contact Center at (888)-CalPERS or (888-225-7377).

Sincerely,

SCOTT TERANDO, ASA, EA, MAAA, FCA, CFA
Chief Actuary



**Actuarial Valuation
as of June 30, 2020**

**for the
Safety Plan
of the
City of Menlo Park
(CalPERS ID: 3956164441)**

**Required Contributions
for Fiscal Year
July 1, 2022 - June 30, 2023**

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Section 1 – Plan Specific Information

Section 2 – Risk Pool Actuarial Valuation Information

Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Plan Specific Information for the Safety Plan of the City of Menlo Park

**(CalPERS ID: 3956164441)
(Rate Plan ID: 199)**

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Actuarial Certification

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2020 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2020 provided by employers participating in the Safety Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuaries have certified that, in their opinion, the valuation of the risk pool containing your Safety Plan has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that the Unfunded Accrued Liability amortization bases as of June 30, 2020 and employer contribution as of July 1, 2022 have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary who satisfies the Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States with regard to pensions.

JULIAN ROBINSON, FSA, EA, MAAA
Senior Pension Actuary, CalPERS

Highlights and Executive Summary

- Introduction
- Purpose of Section 1
- Required Employer Contributions
- Additional Discretionary Employer Contributions
- **Plan's Funded Status**
- Projected Employer Contributions
- Other Pooled Safety Risk Pool Rate Plans
- Cost
- Changes Since the Prior Year's **Valuation**
- Subsequent Events

Introduction

This report presents the results of the June 30, 2020 actuarial valuation of the Safety Plan of the City of Menlo Park of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the required employer contributions for fiscal year 2022-23.

Purpose of Section 1

This Section 1 report for the Safety Plan of the City of Menlo Park of CalPERS was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2020;
- Determine the minimum required employer contribution for this plan for the fiscal year July 1, 2022 through June 30, 2023; and
- Provide actuarial information as of June 30, 2020 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to Governmental Accounting Standards Board (GASB) Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available on the CalPERS website.

The measurements shown in this actuarial valuation may not be applicable for other purposes. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law.

Assessment and Disclosure of Risk

This report includes the following risk disclosures consistent with the recommendations of Actuarial Standards of Practice No. 51 and recommended by the California Actuarial Advisory Panel (CAAP) in the Model Disclosure Elements document:

- A "Scenario Test," projecting future results under different investment income returns.
- A "Sensitivity Analysis," showing the impact on current valuation results using alternative discount rates of 6.0% and 8.0%.
- A "Sensitivity Analysis," showing the impact on current valuation results assuming rates of mortality are 10% lower or 10% higher than our current post-retirement mortality assumptions adopted in 2017.
- Pension Plan maturity measures quantifying the risks the employer bears.

Required Employer Contributions

	Fiscal Year
Required Employer Contributions	2022-23
Employer Normal Cost Rate	23.75%
<i>Plus</i>	
Required Payment on Amortization Bases¹	\$2,504,631
<i>Paid either as</i>	
1) Monthly Payment	\$208,719.25
<i>Or</i>	
2) Annual Prepayment Option*	\$2,421,318
<p><i>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll and paid as payroll is reported) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly (1) or prepaid annually (2) in dollars).</i></p> <p><i>* Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31).</i></p>	

	Fiscal Year	Fiscal Year
	2021-22	2022-23
Development of Normal Cost as a Percentage of Payroll		
Base Total Normal Cost for Formula	31.47%	31.46%
Surcharge for Class 1 Benefits ²		
a) FAC 1	1.23%	1.28%
Phase out of Normal Cost Difference ³	0.00%	0.00%
Plan's Total Normal Cost	32.70%	32.74%
Formula's Expected Employee Contribution Rate	8.99%	8.99%
Employer Normal Cost Rate	23.71%	23.75%

¹ The required payment on amortization bases does not take into account any additional discretionary payment made after April 30, 2021.

² Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

³ The normal cost change is phased out over a five-year period in accordance with the CalPERS contribution allocation policy.

Additional Discretionary Employer Contributions

The minimum required employer contribution towards the Unfunded Accrued Liability (UAL) for this rate plan for the 2022-23 fiscal year is \$2,504,631. CalPERS allows employers to make additional discretionary payments (ADPs) at any time and in any amount. These optional payments serve to reduce the UAL and future required contributions and can result in significant long-term savings. Employers can also use ADPs to stabilize annual contributions as a fixed dollar amount, percent of payroll or percent of revenue.

Provided below are select ADP options for consideration. Making such an ADP during fiscal year 2022-23 does not require an ADP be made in any future year, nor does it change the remaining amortization period of any portion of unfunded liability. For information on permanent changes to amortization periods, see the "Amortization Schedule and Alternatives" section of the report.

If you are considering making an ADP, please contact your actuary for additional information.

Minimum Required Employer Contribution for Fiscal Year 2022-23

Estimated Normal Cost	Minimum UAL Payment	ADP	Total UAL Contribution	Estimated Total Contribution
\$1,141,831	\$2,504,631	\$0	\$2,504,631	\$3,646,462

Alternative Fiscal Year 2022-23 Employer Contributions for Greater UAL Reduction

Funding Target	Estimated Normal Cost	Minimum UAL Payment	ADP ¹	Total UAL Contribution	Estimated Total Contribution
20 years	\$1,141,831	\$2,504,631	\$380,396	\$2,885,027	\$4,026,858
15 years	\$1,141,831	\$2,504,631	\$851,134	\$3,355,765	\$4,497,596
10 years	\$1,141,831	\$2,504,631	\$1,846,998	\$4,351,629	\$5,493,460
5 years	\$1,141,831	\$2,504,631	\$4,949,649	\$7,454,280	\$8,596,111

¹ The ADP amounts are assumed to be made in the middle of the fiscal year. A payment made earlier or later in the fiscal year would have to be less or more than the amount shown to have the same effect on the UAL amortization.

Note that the calculations above are based on the projected Unfunded Accrued Liability as of June 30, 2022 as determined in the June 30, 2020 actuarial valuation. New unfunded liabilities can emerge in future years due to assumption or method changes, changes in plan provisions and actuarial experience different than assumed. Making an ADP illustrated above for the indicated number of years will not result in a plan that is exactly 100% funded in the indicated number of years. Valuation results will vary from one year to the next and can diverge significantly from projections over a period of several years.

Plan's Funded Status

	June 30, 2019	June 30, 2020
1. Present Value of Projected Benefits (PVB)	\$112,629,817	\$115,625,993
2. Entry Age Accrued Liability (AL)	100,985,768	105,099,481
3. Plan's Market Value of Assets (MVA)	71,118,671	73,463,167
4. Unfunded Accrued Liability (UAL) [(2) - (3)]	29,867,097	31,636,314
5. Funded Ratio [(3) / (2)]	70.4%	69.9%

This measure of funded status is an assessment of the need for future employer contributions based on the selected actuarial cost method used to fund the plan. The UAL is the present value of future employer contributions for service that has already been earned and is in addition to future normal cost contributions for active members. For a measure of funded status that is appropriate for assessing the sufficiency of plan assets to cover estimated termination liabilities, please see "Hypothetical Termination Liability" in the "Risk Analysis" section.

Projected Employer Contributions

The table below shows the required and projected employer contributions (before cost sharing) for the next six fiscal years. The projection assumes that all actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur during the projection period. Actual contribution rates during this projection period could be significantly higher or lower than the projection shown below.

Fiscal Year	Required Contribution	Projected Future Employer Contributions (Assumes 7.00% Return for Fiscal Year 2020-21)				
		2023-24	2024-25	2025-26	2026-27	2027-28
Rate Plan 199 Results						
Normal Cost %	23.75%	23.8%	23.8%	23.8%	23.8%	23.8%
UAL Payment	\$2,504,631	\$2,682,000	\$2,859,000	\$2,983,000	\$3,101,000	\$3,177,000

For some sources of UAL, the change in UAL is amortized using a 5-year ramp up. For more information, please see "Amortization of the Unfunded Actuarial Accrued Liability" under "Actuarial Methods" in Appendix A of the Section 2 Report. This method phases in the impact of the change in UAL over a 5-year period in order to reduce employer cost volatility from year to year. As a result of this methodology, dramatic changes in the required employer contributions in any one year are less likely. However, required contributions can change gradually and significantly over the next five years. In years when there is a large increase in UAL, the relatively small amortization payments during the ramp up period could result in a funded ratio that is projected to decrease initially while the contribution impact of the increase in the UAL is phased in.

For projected contributions under alternate investment return scenarios, please see the "Future Investment Return Scenarios" in the "Risk Analysis" section.

Our online pension plan modeling and projection tool, Pension Outlook, is available in the Employers section of the CalPERS website. Pension Outlook is a tool to help plan and budget pension costs into the future with results and charts that are easy to understand.

Other Pooled Safety Risk Pool Rate Plans

All of the results presented in this Section 1 report, except those shown below, correspond to rate plan 199. In many cases, employers have additional rate plans within the same risk pool. For cost analysis and budgeting it is useful to consider contributions for these rate plans as a whole rather than individually. The estimated contribution amounts and rates for all of the employer's rate plans in the Safety Risk Pool are shown below and assume that the payroll for each rate plan will grow according to the overall payroll growth assumption of 2.75% per year for three years.

	Fiscal Year	Fiscal Year
	2021-22	2022-23
Estimated Combined Employer Contributions for all Pooled Safety Rate Plans		
Projected Payroll for the Contribution Year	\$6,993,936	\$7,706,470
Estimated Employer Normal Cost	\$1,456,889	\$1,535,187
Required Payment on Amortization Bases	2,245,061	2,535,029
Estimated Total Employer Contributions	\$3,701,950	\$4,070,216
Estimated Total Employer Contribution Rate (illustrative only)	52.93%	52.82%

Cost

Actuarial Determination of Pension Plan Cost

Contributions to fund the pension plan are comprised of two components:

- Normal Cost, expressed as a percentage of total active payroll
- Amortization of the Unfunded Accrued Liability (UAL), expressed as a dollar amount

For fiscal years prior to 2016-17, the Amortization of UAL component was expressed as a percentage of total active payroll. Starting with fiscal year 2016-17, the Amortization of UAL component was expressed as a dollar amount and invoiced on a monthly basis. There continues to be an option to prepay this amount during July of each fiscal year.

The Normal Cost component is expressed as a percentage of active payroll with employer and employee contributions payable as part of the regular payroll reporting process.

The determination of both components requires complex actuarial calculations. The calculations are based on a set of actuarial assumptions which can be divided into two categories:

- Demographic assumptions (e.g., mortality rates, retirement rates, employment termination rates, disability rates)
- Economic assumptions (e.g., future investment earnings, inflation, salary growth rates)

These assumptions reflect CalPERS' best estimate of future experience of the plan and are long term in nature. We recognize that all assumptions will not be realized in any given year. For example, the investment earnings at CalPERS have averaged 5.5% over the 20 years ending June 30, 2020, yet individual fiscal year returns have ranged from -23.6% to +20.7%. In addition, CalPERS reviews all actuarial assumptions by conducting in-depth experience studies every four years, with the most recent experience study completed in 2017.

Changes Since the Prior **Year's** Valuation

Benefits

The standard actuarial practice at CalPERS is to recognize mandated legislative benefit changes in the first annual valuation following the effective date of the legislation. Voluntary benefit changes by plan amendment are generally included in the first valuation that is prepared after the amendment becomes effective, even if the valuation date is prior to the effective date of the amendment.

This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" and Appendix B of the Section 2 Report for a summary of the plan provisions used in this valuation.

Actuarial Methods and Assumptions

There are no significant changes to the actuarial methods or assumptions for the 2020 actuarial valuation.

Subsequent Events

The contribution requirements determined in this actuarial valuation report are based on demographic and financial information as of June 30, 2020. Changes in the value of assets subsequent to that date are not reflected. Investment returns below the assumed rate of return will increase future required contributions while investment returns above the assumed rate of return will decrease future required contributions.

CalPERS will be completing an Asset Liability Management (ALM) process in November 2021 that will review the capital market assumptions and the strategic asset allocation and ascertain whether a change in the discount rate and other economic assumptions is warranted. As part of the ALM process the Actuarial Office will be completing an Experience Study to review the demographic experience of the retirement system and make recommendations to modify future assumptions where appropriate.

Furthermore, this valuation does not reflect any impacts from the COVID-19 pandemic on your pension plan. The impact of COVID-19 on retirement plans is not yet known and CalPERS actuaries will continue to monitor the effects and where necessary make future adjustments to actuarial assumptions.

The projected employer contributions on Page 6 are calculated under the assumption that the discount rate remains at 7.0% going forward and that the realized rate of return on assets for fiscal year 2020-21 is 7.0%.

This actuarial valuation report reflects statutory changes, regulatory changes and CalPERS Board actions through January 2021. Any subsequent changes or actions are not reflected.

Assets and Liabilities

- Breakdown of Entry Age Accrued Liability
- **Allocation of Plan's Share of Pool's Experience/Assumption Change**
- **Development of Plan's Share of Pool's** Market Value of Assets
- Schedule of **Plan's** Amortization Bases
- Amortization Schedule and Alternatives
- Employer Contribution History
- Funding History

Breakdown of Entry Age Accrued Liability

Active Members	\$25,571,677
Transferred Members	6,927,087
Terminated Members	692,298
Members and Beneficiaries Receiving Payments	<u>71,908,419</u>
Total	\$105,099,481

Allocation of Plan's Share of Pool's

Experience/Assumption Change

It is the policy of CalPERS to ensure equity within the risk pools by allocating the pool's experience gains/losses and assumption changes in a manner that treats each employer equitably and maintains benefit security for the members of the System while minimizing substantial variations in employer contributions. The Pool's experience gains/losses and impact of assumption/method changes is allocated to the plan as follows:

1. Plan's Accrued Liability	\$105,099,481
2. Projected UAL balance at 6/30/2020	29,586,852
3. Pool's Accrued Liability ¹	25,304,654,410
4. Sum of Pool's Individual Plan UAL Balances at 6/30/2020 ¹	6,693,257,955
5. Pool's 2019/20 Investment (Gain)/Loss ¹	427,980,555
6. Pool's 2019/20 Non-Investment (Gain)/Loss ¹	75,360,952
7. Plan's Share of Pool's Investment (Gain)/Loss: $[(1) - (2)] \div [(3) - (4)] \times (5)$	1,736,460
8. Plan's Share of Pool's Non-Investment (Gain)/Loss: $(1) \div (3) \times (6)$	313,002
9. Plan's New (Gain)/Loss as of 6/30/2020: $(7) + (8)$	2,049,461

¹ Does not include plans that transferred to Pool on the valuation date.

Development of the Plan's Share of Pool's Market

Value of Assets

10. Plan's UAL: $(2) + (9)$	\$31,636,314
11. Plan's Share of Pool's MVA: $(1) - (10)$	\$73,463,167

Schedule of Plan's Amortization Bases

Note that there is a two-year lag between the valuation date and the start of the contribution fiscal year.

- The assets, liabilities, and funded status of the plan are measured as of the valuation date: June 30, 2020.
- The required employer contributions determined by the valuation are for the fiscal year beginning two years after the valuation date: fiscal year 2022-23.

This two-year lag is necessary due to the amount of time needed to extract and test the membership and financial data, and the need to provide public agencies with their required employer contribution well in advance of the start of the fiscal year.

The Unfunded Accrued Liability (UAL) is used to determine the employer contribution and therefore must be rolled forward two years from the valuation date to the first day of the fiscal year for which the contribution is being determined. The UAL is rolled forward each year by subtracting the expected payment on the UAL for the fiscal year and adjusting for interest. The expected payment for the first fiscal year is determined by the actuarial valuation two years ago and the contribution for the second year is from the actuarial valuation one year ago. Additional discretionary payments are reflected in the Expected Payments column in the fiscal year they were made by the agency.

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
Share of Pre-2013 Pool UAL	6/30/13	No Ramp		2.75%	15	8,090,721	667,604	7,966,497	685,963	7,814,586	704,827
Non-Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.75%	23	(115,125)	(7,810)	(115,105)	(8,024)	(114,862)	(8,245)
Investment (Gain)/Loss	6/30/13	100%	Up/Down	2.75%	23	10,141,176	687,947	10,139,440	706,865	10,118,014	726,304
Non-Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.75%	24	91,196	6,030	91,342	6,196	91,327	6,367
Investment (Gain)/Loss	6/30/14	100%	Up/Down	2.75%	24	(7,329,742)	(484,693)	(7,341,454)	(498,022)	(7,340,198)	(511,718)
Assumption Change	6/30/14	100%	Up/Down	2.75%	14	4,749,253	451,603	4,614,559	464,022	4,457,590	476,782
Non-Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.75%	25	(16,381)	(857)	(16,641)	(1,100)	(16,668)	(1,131)
Investment (Gain)/Loss	6/30/15	100%	Up/Down	2.75%	25	4,448,124	232,655	4,518,832	298,816	4,526,053	307,034
Non-Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.75%	26	(914,697)	(35,946)	(941,543)	(49,247)	(956,510)	(63,251)
Investment (Gain)/Loss	6/30/16	100%	Up/Down	2.75%	26	5,538,179	217,643	5,700,720	298,171	5,791,340	382,963
Assumption Change	6/30/16	100%	Up/Down	2.75%	16	1,729,001	94,135	1,752,657	128,965	1,741,941	165,640
Non-Investment (Gain)/Loss	6/30/17	80%	Up/Down	2.75%	27	69,892	1,858	72,863	2,863	75,002	3,923
Investment (Gain)/Loss	6/30/17	80%	Up/Down	2.75%	27	(2,744,906)	(72,964)	(2,861,575)	(112,456)	(2,945,560)	(154,065)
Assumption Change	6/30/17	80%	Up/Down	2.75%	17	2,221,597	81,011	2,293,310	124,859	2,324,687	171,057
Non-Investment (Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	394,438	5,387	416,476	11,071	434,177	17,063
Investment (Gain)/Loss	6/30/18	60%	Up/Down	2.75%	28	(821,756)	(11,223)	(867,670)	(23,064)	(904,549)	(35,548)
Assumption Change	6/30/18	60%	Up/Down	2.75%	18	2,498,367	253,746	2,410,776	87,910	2,488,596	135,491
Method Change	6/30/18	60%	Up/Down	2.75%	18	727,249	13,559	764,131	27,864	788,797	42,946
Non-Investment (Gain)/Loss	6/30/19	No Ramp		0.00%	19	455,762	0	487,665	44,501	475,769	44,501

Schedule of Plan's Amortization Bases (continued)

Reason for Base	Date Est.	Ramp Level 2022-23	Ramp Shape	Escalation Rate	Amort. Period	Balance 6/30/20	Expected Payment 2020-21	Balance 6/30/21	Expected Payment 2021-22	Balance 6/30/22	Minimum Required Payment 2022-23
Investment (Gain)/Loss	6/30/19	40%	Up Only	0.00%	19	374,504	0	400,719	8,761	419,707	17,523
Non-Investment (Gain)/Loss	6/30/20	No Ramp		0.00%	20	313,002	0	334,912	0	358,356	32,701
Investment (Gain)/Loss	6/30/20	20%	Up Only	0.00%	20	1,736,460	0	1,858,012	0	1,988,073	43,467
Total						31,636,314	2,099,685	31,678,923	2,204,914	31,615,668	2,504,631

The (gain)/loss bases are the plan's allocated share of the risk pool's (gain)/loss for the fiscal year as disclosed in "Allocation of Plan's Share of Pool's Experience/Assumption Change" earlier in this section. These (gain)/loss bases will be amortized in accordance with the CalPERS amortization policy in effect at the time the base was established.

Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to the CalPERS amortization policy. Many agencies have expressed a desire for a more stable pattern of payments or have indicated interest in paying off the unfunded accrued liabilities more quickly than required. As such, we have provided alternative amortization schedules to help analyze the current amortization schedule and illustrate the potential savings of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternative "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. To initiate a Fresh Start, please consult with your plan actuary.

The Current Amortization Schedule typically contains both positive and negative bases. Positive bases result from plan changes, assumption changes, method changes or plan experience that increase unfunded liability. Negative bases result from plan changes, assumption changes, method changes, or plan experience that decrease unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years, such as:

- When a negative payment would be required on a positive unfunded actuarial liability; or
- When the payment would completely amortize the total unfunded liability in a very short time period, and results in a large change in the employer contribution requirement.

In any year when one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy.

Amortization Schedule and Alternatives (continued)

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	15 Year Amortization		10 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2022	31,615,668	2,504,631	31,615,668	3,355,765	31,615,668	4,351,629
6/30/2023	31,237,954	2,682,092	30,357,534	3,355,765	29,327,405	4,351,629
6/30/2024	30,650,234	2,859,132	29,011,331	3,355,765	26,878,963	4,351,629
6/30/2025	29,838,242	2,983,315	27,570,894	3,355,765	24,259,130	4,351,629
6/30/2026	28,840,955	3,100,713	26,029,626	3,355,765	21,455,909	4,351,629
6/30/2027	27,652,422	3,176,679	24,380,470	3,355,765	18,456,463	4,351,629
6/30/2028	26,302,110	3,254,732	22,615,873	3,355,765	15,247,055	4,351,628
6/30/2029	24,776,537	3,334,933	20,727,754	3,355,765	11,812,990	4,351,628
6/30/2030	23,061,213	3,417,339	18,707,466	3,355,765	8,138,540	4,351,629
6/30/2031	21,140,575	3,502,013	16,545,758	3,355,765	4,206,878	4,351,628
6/30/2032	18,997,903	3,463,939	14,232,731	3,355,765		
6/30/2033	16,744,630	3,421,381	11,757,792	3,355,765		
6/30/2034	14,377,650	3,328,235	9,109,607	3,355,766		
6/30/2035	11,941,332	3,166,798	6,276,048	3,355,765		
6/30/2036	9,501,466	2,907,259	3,244,141	3,355,766		
6/30/2037	7,159,274	1,715,757				
6/30/2038	5,885,632	1,544,691				
6/30/2039	4,699,785	1,415,712				
6/30/2040	3,564,347	1,348,412				
6/30/2041	2,419,043	1,047,424				
6/30/2042	1,504,911	746,125				
6/30/2043	838,456	583,285				
6/30/2044	293,794	294,789				
6/30/2045	9,426	9,750				
6/30/2046						
6/30/2047						
6/30/2048						
6/30/2049						
6/30/2050						
6/30/2051						
Total		55,809,136		50,336,477		43,516,287
Interest Paid		24,193,468		18,720,809		11,900,619
Estimated Savings				5,472,659		12,292,849

Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan. The amounts are based on the actuarial valuation from two years prior and does not account for prepayments or benefit changes made during a fiscal year. Additional discretionary payments before July 1, 2019 or after June 30, 2020 are not included.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)	Additional Discretionary Payments
2016 - 17	19.536%	\$855,951	N/A
2017 - 18	19.723%	1,059,741	N/A
2018 - 19	20.556%	1,347,451	N/A
2019 - 20	21.927%	1,665,796	692,270
2020 - 21	23.674%	1,905,839	
2021 - 22	23.71%	2,218,080	
2022 - 23	23.75%	2,504,631	

Funding History

The table below shows the recent history of the actuarial accrued liability, share of the pool's market value of assets, unfunded accrued liability, funded ratio, and annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio	Annual Covered Payroll
06/30/2011	\$62,947,248	\$49,676,541	\$13,270,707	78.9%	\$6,138,515
06/30/2012	66,809,343	49,267,378	17,541,965	73.7%	5,926,751
06/30/2013	69,683,668	54,021,373	15,662,295	77.5%	5,684,278
06/30/2014	76,932,839	62,337,080	14,595,759	81.0%	5,507,835
06/30/2015	80,594,610	62,089,996	18,504,614	77.0%	5,453,574
06/30/2016	85,184,544	61,020,512	24,164,032	71.6%	5,320,607
06/30/2017	91,413,749	66,813,601	24,600,148	73.1%	5,277,103
06/30/2018	98,038,952	69,681,566	28,357,386	71.1%	4,672,779
06/30/2019	100,985,768	71,118,671	29,867,097	70.4%	4,525,078
06/30/2020	105,099,481	73,463,167	31,636,314	69.9%	4,431,928

Risk Analysis

- Future Investment Return Scenarios
- Discount Rate Sensitivity
- Mortality Rate Sensitivity
- Maturity Measures
- Maturity Measures History
- Hypothetical Termination Liability

Future Investment Return Scenarios

Analysis was performed to determine the effects of various future investment returns on required employer contributions. The projections below provide a range of results based on five investment return scenarios assumed to occur during the next four fiscal years (2020-21, 2021-22, 2022-23 and 2023-24). The projections also assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

For fiscal years 2020-21, 2021-22, 2022-23, and 2023-24, each scenario assumes an alternate fixed annual return. The fixed return assumptions for the five scenarios are 1.0%, 4.0%, 7.0%, 9.0% and 12.0%.

These alternate investment returns were chosen based on stochastic analysis of possible future investment returns over the four-year period ending June 30, 2024. Using the expected returns and volatility of the asset classes in which the funds are invested, we produced five thousand stochastic outcomes for this period based on the most recently completed Asset Liability Management process. We then selected annual returns that approximate the 5th, 25th, 50th, 75th, and 95th percentiles for these outcomes. For example, of all the 4-year outcomes generated in the stochastic analysis, approximately 25% had an average annual return of 4.0% or less.

Required contributions outside of this range are also possible. In particular, whereas it is unlikely that investment returns will average less than 1.0% or greater than 12.0% over this four-year period, the likelihood of a single investment return less than 1.0% or greater than 12.0% in any given year is much greater.

Assumed Annual Return From 2020-21 through 2023-24	Projected Employer Contributions			
	2023-24	2024-25	2025-26	2026-27
1.0%				
Normal Cost	23.8%	23.8%	23.8%	23.8%
UAL Contribution	\$2,792,000	\$3,189,000	\$3,644,000	\$4,202,000
4.0%				
Normal Cost	23.8%	23.8%	23.8%	23.8%
UAL Contribution	\$2,737,000	\$3,026,000	\$3,320,000	\$3,668,000
7.0%				
Normal Cost	23.8%	23.8%	23.8%	23.8%
UAL Contribution	\$2,682,000	\$2,859,000	\$2,983,000	\$3,101,000
9.0%				
Normal Cost	24.2%	24.6%	25.0%	25.5%
UAL Contribution	\$2,652,000	\$2,776,000	\$2,822,000	\$2,831,000
12.0%				
Normal Cost	24.2%	24.6%	25.0%	25.5%
UAL Contribution	\$2,598,000	\$2,606,000	\$2,467,000	\$2,215,000

Discount Rate Sensitivity

The discount rate assumption is calculated as the sum of the assumed real rate of return and the assumed annual price inflation, currently 4.50% and 2.50%, respectively. Changing either the price inflation assumption or the real rate of return assumption will change the discount rate. The sensitivity of the valuation results to the discount rate assumption depends on which component of the discount rate is changed. Shown below are various valuation results as of June 30, 2020 assuming alternate discount rates by changing the two components independently. Results are shown using the current discount rate of 7.0% as well as alternate discount rates of 6.0% and 8.0%. The rates of 6.0% and 8.0% were selected since they illustrate the impact of a 1.0% increase or decrease to the 7.0% assumption.

Sensitivity to the Real Rate of Return Assumption

As of June 30, 2020	1% Lower Real Return Rate	Current Assumptions	1% Higher Real Return Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	2.5%	2.5%	2.5%
Real Rate of Return	3.5%	4.5%	5.5%
a) Total Normal Cost	41.29%	32.74%	26.24%
b) Accrued Liability	\$118,939,116	\$105,099,481	\$93,683,716
c) Market Value of Assets	\$73,463,167	\$73,463,167	\$73,463,167
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$45,475,949	\$31,636,314	\$20,220,549
e) Funded Status	61.8%	69.9%	78.4%

Sensitivity to the Price Inflation Assumption

As of June 30, 2020	1% Lower Inflation Rate	Current Assumptions	1% Higher Inflation Rate
Discount Rate	6.0%	7.0%	8.0%
Inflation	1.5%	2.5%	3.5%
Real Rate of Return	4.5%	4.5%	4.5%
a) Total Normal Cost	35.03%	32.74%	30.19%
b) Accrued Liability	\$110,877,089	\$105,099,481	\$98,111,925
c) Market Value of Assets	\$73,463,167	\$73,463,167	\$73,463,167
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$37,413,922	\$31,636,314	\$24,648,758
e) Funded Status	66.3%	69.9%	74.9%

Mortality Rate Sensitivity

The following table looks at the change in the June 30, 2020 plan costs and funded status under two different longevity scenarios, namely assuming post-retirement rates of mortality are 10% lower or 10% higher than our current mortality assumptions adopted in 2017. This type of analysis highlights the impact on the plan of improving or worsening mortality over the long-term.

As of June 30, 2020	10% Lower Mortality Rates	Current Assumptions	10% Higher Mortality Rates
a) Total Normal Cost	33.17%	32.74%	32.34%
b) Accrued Liability	\$106,982,509	\$105,099,481	\$103,356,652
c) Market Value of Assets	\$73,463,167	\$73,463,167	\$73,463,167
d) Unfunded Liability/(Surplus) [(b) - (c)]	\$33,519,342	\$31,636,314	\$29,893,485
e) Funded Status	68.7%	69.9%	71.1%

Maturity Measures

As pension plans mature they become more sensitive to risks. Understanding plan maturity and how it affects the ability of a pension plan sponsor to tolerate risk is important in understanding how the pension plan is impacted by investment return volatility, other economic variables and changes in longevity or other demographic assumptions. Since it is the employer that bears the risk, it is appropriate to perform this analysis on a pension plan level considering all rate plans. The following measures are for one rate plan only.

One way to look at the maturity level of CalPERS and its plans is to look at the ratio of a plan's retiree liability to its total liability. A pension plan in its infancy will have a very low ratio of retiree liability to total liability. As the plan matures, the ratio starts increasing. A mature plan will often have a ratio above 60%-65%.

Ratio of Retiree Accrued Liability to Total Accrued Liability	June 30, 2019	June 30, 2020
1. Retired Accrued Liability	69,552,781	71,908,419
2. Total Accrued Liability	100,985,768	105,099,481
3. Ratio of Retiree AL to Total AL [(1) / (2)]	0.69	0.68

Another measure of maturity level of CalPERS and its plans is to look at the ratio of actives to retirees, also called the Support Ratio. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures, and members retire, the ratio starts declining. A mature plan will often have a ratio near or below one. The average support ratio for CalPERS public agency plans is 1.25.

Support Ratio	June 30, 2019	June 30, 2020
1. Number of Actives	29	26
2. Number of Retirees	116	119
3. Support Ratio [(1) / (2)]	0.25	0.22

Maturity Measures (Continued)

The actuarial calculations supplied in this communication are based on various assumptions about long-term demographic and economic behavior. Unless these assumptions (e.g., terminations, deaths, disabilities, retirements, salary growth, and investment return) are exactly realized each year, there will be differences on a year-to-year basis. The year-to-year differences between actual experience and the assumptions are called actuarial gains and losses and serve to lower or raise required employer contributions from one year to the next. Therefore, employer contributions will inevitably fluctuate, especially due to the ups and downs of investment returns.

Asset Volatility Ratio (AVR)

Shown in the table below is the asset volatility ratio (AVR), which is the ratio of market value of assets to payroll. Plans that have higher AVR experience more volatile employer contributions (as a percentage of payroll) due to investment return. For example, a plan with an asset-to-payroll ratio of 8 may experience twice the contribution volatility due to investment return volatility than a plan with an asset-to-payroll ratio of 4. It should be noted that this ratio is a measure of the current situation. It increases over time but generally tends to stabilize as the plan matures.

Liability Volatility Ratio (LVR)

Also shown in the table below is the liability volatility ratio (LVR), which is the ratio of accrued liability to payroll. Plans that have a higher LVR experience more volatile employer contributions (as a percentage of payroll) due to investment return and changes in liability. For example, a plan with LVR ratio of 8 is expected to have twice the contribution volatility of a plan with LVR of 4. It should be noted that this ratio indicates a longer-term potential for contribution volatility. The AVR, described above, will tend to move closer to the LVR as a plan matures.

Contribution Volatility	June 30, 2019	June 30, 2020
1. Market Value of Assets	\$71,118,671	\$73,463,167
2. Payroll	4,525,078	4,431,928
3. Asset Volatility Ratio (AVR) [(1) / (2)]	15.7	16.6
4. Accrued Liability	\$100,985,768	\$105,099,481
5. Liability Volatility Ratio (LVR) [(4) / (2)]	22.3	23.7

Maturity Measures History

Valuation Date	Ratio of Retiree Accrued Liability to Total Accrued Liability	Support Ratio	Asset Volatility Ratio	Liability Volatility Ratio
06/30/2017	0.68	0.31	12.7	17.3
06/30/2018	0.69	0.26	14.9	21.0
06/30/2019	0.69	0.25	15.7	22.3
06/30/2020	0.68	0.22	16.6	23.7

Hypothetical Termination Liability

The hypothetical termination liability is an estimate of the financial position of the plan had the contract with CalPERS been terminated as of June 30, 2020. The plan liability on a termination basis is calculated differently compared to the plan's ongoing funding liability. For the hypothetical termination liability calculation, both compensation and service are frozen as of the valuation date and no future pay increases or service accruals are assumed. This measure of funded status is not appropriate for assessing the need for future employer contributions in the case of an ongoing plan, that is, for an employer that continues to provide CalPERS retirement benefits to active employees.

A more conservative investment policy and asset allocation strategy was adopted by the CalPERS Board for the Terminated Agency Pool. The Terminated Agency Pool has limited funding sources since no future employer contributions will be made. Therefore, expected benefit payments are secured by risk-free assets and benefit security for members is increased while limiting the funding risk. However, this asset allocation has a lower expected rate of return than the PERF and consequently, a lower discount rate is assumed. The lower discount rate for the Terminated Agency Pool results in higher liabilities for terminated plans.

The effective termination discount rate will depend on actual market rates of return for risk-free securities on the date of termination. As market discount rates are variable, the table below shows a range for the hypothetical termination liability based on the lowest and highest interest rates observed during an approximate 19-month period from 12 months before the valuation date to 7 months after.

Market Value of Assets (MVA)	Hypothetical Termination Liability^{1,2} at 0.75%	Funded Status	Unfunded Termination Liability at 0.75%	Hypothetical Termination Liability^{1,2} at 2.50%	Funded Status	Unfunded Termination Liability at 2.50%
\$73,463,167	\$245,230,210	30.0%	\$171,767,043	\$184,387,450	39.8%	\$110,924,283

¹ The hypothetical liabilities calculated above include a 5% mortality contingency load in accordance with Board policy. Other actuarial assumptions can be found in Appendix A of the Section 2 report.

² The current discount rate assumption used for termination valuations is a weighted average of the 10-year and 30-year U.S. Treasury yields where the weights are based on matching asset and liability durations as of the termination date. The discount rates used in the table are based on 20-year Treasury bonds, rounded to the nearest quarter percentage point, which is a good proxy for most plans. The 20-year Treasury yield was 1.18% on June 30, 2020, and was 1.68% on January 31, 2021.

In order to terminate the plan, you must first contact our Retirement Services Contract Unit to initiate a Resolution of Intent to Terminate. The completed Resolution will allow the plan actuary to give you a preliminary termination valuation with a more up-to-date estimate of the plan liabilities. CalPERS advises you to consult with the plan actuary before beginning this process.

Participant Data

The table below shows a summary of your plan's member data upon which this valuation is based:

	June 30, 2019	June 30, 2020
Active Members		
Counts	29	26
Average Attained Age	N/A	44.4
Average Entry Age to Rate Plan	N/A	29.9
Average Years of Credited Service	N/A	14.9
Average Annual Covered Pay	\$156,037	\$170,459
Annual Covered Payroll	\$4,525,078	\$4,431,928
Projected Annual Payroll for Contribution Year	\$4,908,757	\$4,807,709
Present Value of Future Payroll	\$34,834,746	\$31,643,198
Transferred Members	21	20
Separated Members	8	9
Retired Members and Beneficiaries		
Counts*	116	119
Average Annual Benefits*	N/A	\$44,426

Counts of members included in the valuation are counts of the records processed by the valuation. Multiple records may exist for those who have service in more than one valuation group. This does not result in double counting of liabilities.

* Values include community property settlements.

List of Class 1 Benefit Provisions

This plan has the additional Class 1 Benefit Provisions:

- One Year Final Compensation (FAC 1)

Plan's Major Benefit Options

Shown below is a summary of the major optional benefits for which your agency has contracted. A description of principal standard and optional plan provisions is in Section 2.

Member Category	Benefit Group						
	Police	Police	Police	Police	Police	Police	
Demographics							
Actives	Yes	No	No	No	No	No	
Transfers/Separated	Yes	No	No	No	No	No	
Receiving	Yes	Yes	Yes	Yes	Yes	Yes	
Benefit Provision							
Benefit Formula	3% @ 50						
Social Security Coverage	No						
Full/Modified	Full						
Employee Contribution Rate	9.00%						
Final Average Compensation Period	One Year						
Sick Leave Credit	Yes						
Non-Industrial Disability	Standard						
Industrial Disability	Standard						
Pre-Retirement Death Benefits							
Optional Settlement 2	Yes						
1959 Survivor Benefit Level	Level 3						
Special	Yes						
Alternate (firefighters)	No						
Post-Retirement Death Benefits							
Lump Sum	\$500	\$500	\$500	\$500	\$500	\$500	
Survivor Allowance (PRSA)	No	No	No	No	No	No	
COLA	2%	2%	2%	2%	2%	2%	

Section 2

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Risk Pool Actuarial Valuation Information

**Section 2 may be found on the CalPERS website
(calpers.ca.gov) in the Forms and
Publications section**

Understanding the Labor Negotiations Process

August 17, 2012

Under California law,¹ when county or city employees are represented by a union, the agency must negotiate with that union regarding their pay and benefits, working hours, and working conditions. This paper explains the key elements of that process.

Roles

Elected officials determine the agency's bargaining position and consult with staff throughout the negotiation process. Agency staff report back to decision-makers about the face-to-face negotiations' progress and any impediments to reaching agreement.

Before Bargaining

Prior to meeting with the union, the agency's negotiators will meet with elected officials to discuss how to proceed. Having this meeting well in advance of negotiations gives elected officials time to consider relevant issues and develop a set of questions.

Early conversations also give staff time to compile necessary information for decision-makers. Examples of such information may include:

- Anticipated increases in current employee expenditures
- Money available for salaries and benefits
- Cost of salary and benefit enhancements
- What comparable employers are paying
- Turnover statistics

Just as elected officials need time and information to make well-informed decisions, staff will need time to prepare and provide accurate information. As with any issue, limited staff resources may make it advisable to prioritize information requests.

Conversations about the agency's initial bargaining position typically take place in closed session.² The agency's negotiators will share their understanding of what it will take to

Additional Resources

The Institute has two glossaries to assist local officials as they engage with constituents, bargaining representatives and each other about labor relations and public pension issues:

- Labor Relations Terminology:
<http://www.ca-ilg.org/post/labor-relations-terminology>
- Public Pension Terminology:
<http://www.ca-ilg.org/post/public-pension-terminology>

The Institute is grateful to Dr. Rhonda Albey for preparing this piece. Dr. Albey has worked in labor relations for Los Angeles County since 1990.

reach agreement with the union. The agency's governing body will then give negotiators an initial bargaining position.

During Bargaining

No matter how reasonable the agency's initial bargaining position is, it is unlikely that the union will immediately accept it.

The Process Can Be Rough

During the negotiations process, the union may organize demonstrations and/or phone and e-mail campaigns. Discourse may become bullying and emotional.

Don't take it personally – it's all part of the process. Both sides may need to show they are doing their job. Union negotiators need to show their members that they are fighting for them and elected officials need to show they are working hard for the community.

The negotiation process is unpredictable. The agency's negotiators may have misread the union's priorities and goals. Union representatives may have misread the employees' mood. New issues may arise. There may be internal divisions within the union. These challenges may make it impossible to get agreement within the original parameters authorized.

Working with the Agency's Negotiators. As challenges arise, the agency's negotiators may ask for modifications in the bargaining position. This is normal in the course of any type of negotiation, as each party learns more about the interests of the other. Multiple meetings with the negotiating team may be necessary.

Modifications may not involve increases in total expense. An example is moving money from benefits to salaries (or vice-versa). Another example is if decision-makers have authorized higher increases for some position classifications than others, employee representatives may ask to even increases out.

Meeting with Union Officials. As negotiations continue, the union may seek meetings with individual elected official(s) to discuss the agency's bargaining position. As with any group of constituents, an elected official can choose to meet with them or not. If an elected official does meet with union officials, the official should be clear that the official is not speaking on behalf of the governing body.

A word of caution about meeting with employees *without* their union representative during labor

Expect to be Misquoted

People tend to hear what they want to hear.

Someone may say something like "I'll speak to the negotiating team," and mean exactly that – they'll speak to them.

The employees may hear "He/she will speak to the negotiating team and tell them to give us what we want."

Some strategies for minimizing miscommunication are to take notes during the discussion and not to meet with union representatives alone.

negotiations: such meetings can lead to an unfair labor practice accusation of “direct dealing.”³ Avoid any action that makes it appear that the agency is interfering in the union’s relationship with the employees it represents.

If the elected official meets with union representatives, it is helpful to share the conversation with the agency’s bargaining representatives. The conversation may provide insights that will help the agency’s negotiators move the process forward.

If Agreement Is Reached

The agreement still has to be ratified by the rank and file. The union may feel it needs to sell the agreement as a victory for its members. The union may post flyers or e-mails trumpeting their win over management.

For their part, elected officials may hear concerns from constituents that the agency is spending too much on employee salaries and benefits. Agency officials are well-advised to be moderate in their public discourse relating to the agreement. Anything that might be construed as bragging about the agency’s victory in the bargaining process may jeopardize the agreement. The employees won’t ratify the agreement if they think it is a

Post Agreement Issues

While the agency will not have to negotiate during the term of the agreement, issues may arise between negotiations that may require changes.

bad deal or their representatives weren’t sufficiently aggressive on their behalf.

A helpful practice can be a public statement that does not validate either extreme, but says something to the effect that “We reached a deal to provide adequate public services at reasonable cost.”

If Agreement Cannot Be Reached

What happens if the agency can’t reach an agreement? There are procedures under state law for resolving impasse. A local labor relations resolution may provide further guidance on procedures.

Mediation

A mediator may be brought in to try and resolve differences between the agency and the union. Mediators have no authority to impose a settlement, but can be useful in helping the parties look at the problem from a new perspective and to move past personal differences. The state Division of Mediation and Conciliation can provide a mediator.

Fact-finding. Whether or not mediation occurs, the union may request fact-finding as a next step. With the assistance of the

An Expired Contract is not the Same as No Contract

If the contract has expired and agreement has not been reached on a new one, the agency must maintain the status quo until there is a new agreement.

Public Employee Relations Board (PERB), a fact-finding panel is appointed which reviews both parties' proposals, holds hearings and ultimately recommends a settlement.

Unilateral implementation. After exhausting the impasse procedure and holding a public hearing, the agency may impose its final financial offer upon the employees. Management cannot force the union to accept a whole new contract.

Unilateral implementation cannot be used to impose work rule or operational changes and can only be implemented for one year. After that year, or during the year, if the union indicates it has a significant change in its position, the agency must bargain again with the union to try and reach a mutual agreement.

This resource is a service of the Institute for Local Government (ILG) whose mission is to promote good government at the local level with practical, impartial, and easy-to-use resources for California communities. ILG is the nonprofit 501(c)(3) research and education affiliate of the League of California Cities and the California State Association of Counties. For more information and to access the Institute's resources on Local Government 101 go to <http://www.ca-ilg.org/localgovt101>.

The Institute thanks the following individuals for their review and input into this resource:

- Holly Brock-Cohn, Human Resources Director, City of Alameda
- Casey Echarte, Assistant Human Resources Director, City of San Mateo
- Eraina Ortega, Legislative Representative, Employee Relations & Human Resources, California State Association of Counties
- Delores Turner, Assistant City Manager, Administrative Services Department, City of Emeryville

The Institute welcomes feedback on this resource:

- *Email:* rstephens@ca-ilg.org Subject: *Understanding the Labor Negotiations Process*
- *Fax:* 916.444.7535
- *Mail:* 1400 K Street, Suite 205 ▪ Sacramento, CA ▪ 95814

References and Resources

¹ California Government Code 3500, known as the Meyers-Milias-Brown Act, (MMB) requires negotiation in good faith with the recognized employee representative on specified subjects. It also permits local agencies to adopt their own rules and regulations for the governance of labor relations.

² See Cal. Gov't Code § 54957.6, which provides:

54957.6. (a) Notwithstanding any other provision of law, a legislative body of a local agency may hold closed sessions with the local agency's designated representatives regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits of its represented and unrepresented employees, and, for represented employees, any other matter within the statutorily provided scope of representation.

However, prior to the closed session, the legislative body of the local agency shall hold an open and public session in which it identifies its designated representatives.

Closed sessions of a legislative body of a local agency, as permitted in this section, shall be for the purpose of reviewing its position and instructing the local agency's designated representatives.

Closed sessions, as permitted in this section, may take place prior to and during consultations and discussions with representatives of employee organizations and unrepresented employees.

Closed sessions with the local agency's designated representative regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits may include discussion of an agency's available funds and funding priorities, but only insofar as these discussions relate to providing instructions to the local agency's designated representative.

Closed sessions held pursuant to this section shall not include final action on the proposed compensation of one or more unrepresented employees.

For the purposes enumerated in this section, a legislative body of a local agency may also meet with a state conciliator who has intervened in the proceedings.

(b) For the purposes of this section, the term "employee" shall include an officer or an independent contractor who functions as an officer or an employee, but shall not include any elected official, member of a legislative body, or other independent contractors.

³ See Cal. Lab. Code § 1156; *Ruline Nursery Co. v. Agricultural Labor Relations Bd.*, 169 Cal. App. 3d 247, 266, 216 Cal. Rptr. 162, 172 (1985)



STAFF REPORT

City Council
Meeting Date: 4/12/2022
Staff Report Number: 22-067-CC

Regular Business: **Adopt resolutions authorizing the issuance of 2022 General Obligation Refunding Bonds and 2022 General Obligation Bonds for the purpose of renovating and expanding the City's parks and recreation facilities and approving related documents**

Recommendation

Adopt (i) a resolution (Attachment A) authorizing the issuance of 2022 General Obligation Refunding Bonds and related documents and actions for the purpose of refinancing the City's 2012 General Obligation Refunding Bonds in order to realize debt service savings for taxpayers in the City and (ii) a resolution (Attachment D) authorizing the issuance of 2022 General Obligation Bonds and related documents and actions for the purpose of renovating and expanding the City's parks and recreation facilities, as approved by City voters in 2001.

Policy Issues

Issuance of the City of Menlo Park 2022 General Obligation Refunding Bonds (2001 Election) (the "2022 General Obligation Refunding Bonds") will result in debt service savings and lower property tax payments in the City related to the 2012 General Obligation Refunding Bonds.

Issuance of the City of Menlo Park 2022 General Obligation Bonds (2001 Election) (the "2022 New Money General Obligation Bonds") will provide funds to finance parks and recreation facilities in furtherance of the voter authorization given to the City November 6, 2001.

Background

At an election held November 6, 2001, the City submitted the following Measure T to the registered voters of the City, and at least two-thirds of those voting on the proposition were in favor:

"To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?"

Under the Measure T bonding authority, the City has issued the following bonds:

- 2002 Bonds; 2012 Bonds. The initial Measure T bonds were the \$13,245,000 General Obligation Bonds, Series 2002. In 2012, the City refunded the 2002 bonds for debt service savings with proceeds of the City's \$9,830,000 Refunding General Obligation Bonds.

- 2009 General Obligation Bonds; 2019 General Obligation Refunding Bonds. In 2009, the City issued two series of Measure T bonds (the “2009 General Obligation Bonds”) in an aggregate principal amount of \$10,440,000. In 2019, the City issued General Obligation Refunding Bonds to refund the 2009 General Obligation Bonds.

The City has \$14,315,000 of remaining “new money” bonding capacity under Measure T.

Refunding bonds do not count against the remaining bonding capacity.

Analysis

2022 General Obligation Refunding Bonds

Capital One Public Funding, LLC (“Capital One”), the owner of the 2012 Bonds, has agreed to an accelerated refunding of the 2012 Bonds April 14, 2022, and has offered to purchase the 2022 General Obligation Refunding Bonds April 14, 2022, at a coupon of 2.715 percent and a yield of 2.500 percent, which will result in approximately \$390,000 in debt service savings and approximately \$358,000 in net present value savings, or 6 percent of refunded par. City staff, based on input from the City’s municipal advisor, has concluded that the proposed transaction is in the best interests of the City, particularly in light of the volatile nature of the financial markets and expectation of a continued rise in interest rates.

The 2022 General Obligation Refunding Bonds will require the following documents:

- A. Resolution. This document memorializes City Council’s intent to refund the 2012 Bonds
- B. Paying agent agreement. This document, between the City and The Bank of New York Mellon Trust Company (“BNY”), as paying agent, will establish the terms of the 2022 General Obligation Refunding Bonds.
- C. Irrevocable refunding instructions. This document will be signed by the City and direct BNY, as paying agent for the 2012 Bonds, to apply proceeds of the 2022 General Obligation Refunding Bonds to redeem the 2012 General Obligation Bonds.

2022 New Money General Obligation Bonds

City staff is recommending that the City issue its remaining “new money” 2001 election bonding capacity (\$14,315,000) to finance the construction, acquisition, and improvement of parks and recreation facilities, including, but not limited to, improvements at the Menlo Park Community Campus, improvements to Willow Oaks Park and improvements to Burgess Park.

The resolution establishes certain bond parameters: (i) the principal amount of the Bonds may not exceed \$14,315,000, (ii) the true interest cost may not exceed 6.0 percent, (iii) the Underwriter's discount on the Bonds (without regard to an original issue discount, if any) may not exceed 0.60 percent of the original par amount and (iv) the City will receive confirmation from its municipal advisor that, in accordance with the November 6, 2001 authorization, the Bonds shall not be issued unless the City determines that the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation.

Given the longer-term of the 2022 New Money General Obligation Bonds, under current market conditions, the City’s municipal advisor estimates that a public offering will achieve a lower borrowing rate than a private placement. Because of the volatile nature of the financial markets, staff is recommending a negotiated (rather than competitive) sale of the 2022 New Money General Obligation Bonds. Negotiated sales allow greater flexibility with respect to the timing and terms of the sale of bonds. The City’s municipal advisor distributed underwriter RFPs to 6 underwriting firms (BofA Securities, Piper Sandler, Raymond

James, Stifel, UBS and Citi.) All firms responded except Citi. After review and evaluation of the responses as well as follow up conversations with two of the underwriting firms, the municipal advisor recommended BofA Securities, Inc., as the underwriting firm that would serve the City best based on their top national ranking, experience with general obligation bonds (including those issued by cities), significant retail distribution, structuring and marketing ideas, and demonstrated pricing performance in the currently challenging market. BofA Securities' fee proposal is \$4.92/bond.

In order to minimize the overall interest cost of the 2022 New Money General Obligation Bonds, staff is recommending a final maturity in 2039 (or 17 years) and a level debt service structure. Under current market conditions, the City's municipal advisor estimates that this structure yields a true interest cost of 3.35 percent and a total payment amount through maturity of \$22.15 million.

Should market conditions change, the resolution also authorizes a private placement transaction in place of a public offering if the City concludes, based on advice from the City's municipal advisor that it would be in the best interests of the City.

The 2022 New Money General Obligation Bonds will require the following documents:

- D. Resolution. This document memorializes City Council's intent to issue the 2022 Bonds
- E. Preliminary official statement. The attached preliminary Official Statement has been reviewed and approved for transmittal to the City Council by the City's financing team, including consultants and City staff. The document has a number of blanks that will be completed upon its Official release known after the sale is finalized. The distribution of the preliminary Official Statement and the final Official Statement by the City is subject to the federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the preliminary Official Statement to include all facts that would be material to an investor in the 2022 New Money General Obligation Bonds. Material information exists where there is a substantial likelihood that the information would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell securities. If the City Council concludes that the preliminary Official Statement includes all facts that would be material to an investor in the 2022 New Money General Obligation Bonds, it must adopt a resolution that authorizes Staff to execute a certificate to the effect that the preliminary Official Statement has been "deemed final."

The Official Statement contains information concerning the City and the 2022 New Money General Obligation Bonds, including estimated sources and uses of funds, the purposes for which the 2022 New Money General Obligation Bonds are being issued, the terms of the 2022 New Money General Obligation Bonds (sources of security, interest rates, redemption terms, etc.), and City financial information. The Official Statement will be used by underwriting firms to prepare their bids and to provide information about the 2022 New Money General Obligation Bonds to prospective and actual investors.

The Securities and Exchange Commission (SEC), the agency with regulatory authority over compliance with the federal securities laws, has indicated that if a member of a legislative body, like the City Council, has knowledge of any facts or circumstances that an investor would want to know before investing in securities, like the 2022 New Money General Obligation Bonds, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the preliminary Official Statement. The steps that a member of the City Council could take to fulfill this obligation include becoming familiar with the preliminary Official Statement and questioning Staff and other members of the financing team about the disclosure of such facts.

Continuing disclosure certificate. SEC Rule 15c2-12 requires the underwriter of an issue of municipal securities to obtain a commitment by the issuer of the securities to provide ongoing disclosure. The Continuing Disclosure Certificate under Rule 15c2-12 requires the City, as the issuer of the 2022 New Money General Obligation Bonds, to provide two types of ongoing disclosure – an annual report each year, and timely notices of certain types of events that are likely to be material to investors, if and when any occur. The annual report is required to contain annual financial information and operating data for the City, similar to the type of information contained in the Official Statement. The annual report is also required to contain the City’s most recent financial statements.

- F. Paying agent agreement. This document, between BNY, as paying agent, appoints BNY to act as paying agent.
- G. Costs of issuance custody agreement. This document, between the City and BNY, provides for BNY to pay the costs of issuing the 2022 New Money General Obligation Bonds.
- H. Project fund custody agreement. This document, between the City and BNY, provides for BNY to hold the bond proceeds that will be used to pay for authorized project costs. Staff believes that working with BNY in this capacity is a best practice from the perspective of a transparent requisition process and record keeping.
- I. Bond purchase agreement. This document, between the City and the underwriter, BofA Securities, provides the terms and conditions pursuant to which the underwriter agrees to purchase all of the 2022 New Money General Obligation Bonds.
- J. Use of bond proceeds. This document lists the uses of the proceeds by project and amount. Per City Council direction August 17, 2021, the list of projects includes Menlo Park Community Campus and three projects currently in the design stage, to meet the delivery timelines for expending the bond proceeds. A tentative project has been identified for the balance of the funds, but funds will not be programmed for this or other projects until the City Council provides further direction on the projects to be completed using Measure T bond proceeds.

Impact on City Resources

Neither the 2022 New Money General Obligation Bonds nor the 2022 General Obligation Refunding Bonds are payable from the City’s General Fund; they are paid from an ad valorem tax on all taxable property within the City. This ad valorem tax is in addition to the 1 percent general property tax and was approved by voters in 2001.

The proposed refunding will result in lower debt service costs for the benefit of the owners of taxable property in the City.

In accordance with the November 6, 2001 authorization, the highest tax rate required to service all bonds authorized by the 2001 bond measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation.

The costs of the financing consultants, including the City’s municipal advisor (Urban Futures, Inc.), the underwriter of the 2022 New Money General Obligation Bonds and bond/disclosure counsel (Jones Hall) will be paid from bond proceeds.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines § § 15378 and 15061(b) (3) as it will not result in any direct or indirect physical change in the environment. Projects pursue through the use of bond proceeds will be subject to environmental review.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

2022 General Obligation Refunding Bonds

- A. Resolution
- B. Paying agent agreement
- C. Irrevocable refunding instructions

2022 New Money General Obligation Refunding Bonds

- D. Resolution
- E. Preliminary official statement (incl. Continuing Disclosure Certificate)
- F. Paying agent agreement
- G. Costs of issuance custody agreement
- H. Project fund custody agreement
- I. Bond purchase agreement
- J. Use of bond proceeds

Report prepared by:

Chris Lynch, Jones Hall, Bond Counsel

Wing-See Fox, Municipal Advisor

Marvin Davis, Interim Finance Director

Mary Morris-Mayorga, Administrative Services Director – Extra Help Retired Annuitant

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AUTHORIZING THE ISSUANCE AND SALE OF ITS GENERAL OBLIGATION
REFUNDING BONDS (2001 ELECTION), AUTHORIZING AND DIRECTING
THE EXECUTION OF A PAYING AGENT AGREEMENT AND CERTAIN
OTHER RELATED DOCUMENTS, AND AUTHORIZING ACTIONS RELATED
THERE TO**

WHEREAS, at an election held on November 6, 2001, the City of Menlo Park (the "City") submitted the following proposition to the registered voters of the City:

To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided, that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?"; and

WHEREAS, at least two-thirds of the votes cast on the proposition at the election were in favor; and

WHEREAS, pursuant to such authorization and Resolution No. 6044 (the "2012 Bond Resolution"), the City has previously issued the 2012 General Obligation Refunding Bonds (the "2012 Bonds"); and

WHEREAS, the 2012 Bonds were issued under a Paying Agent Agreement, dated as of January 18, 2012 (the "2012 Paying Agent Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A. (the "2012 Paying Agent"); and

WHEREAS, the 2012 Bonds are owned by Capital One Public Funding, LLC ("Capital One"); and

WHEREAS, in order to realize debt service savings for the benefit of the taxpayers of the City, the City Council wishes at this time to authorize the issuance and sale of its City of Menlo Park 2022 General Obligation Refunding Bonds (2001 Election) (the "Refunding Bonds") for the purpose of refinancing the 2012 Bonds; and

WHEREAS, the City Council is authorized to provide for the issuance and sale of the Refunding Bonds under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the "Bond Law"); and

WHEREAS, Capital One and the City have agreed that the City may redeem the 2012 Bonds on April 14, 2022, or such later date agreed by the City and Capital One; and

WHEREAS, Capital One has offered to purchase the Refunding Bonds at a price that City staff has concluded, with input from the City's municipal advisor, is in the best interests of the City; and

WHEREAS, in order to comply with Government Code Section 5852.1, certain information relating to the Refunding Bonds is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park, as follows:

Section 1. Approval of Paying Agent Agreement. The proposed form of paying agent agreement, by and between the City and The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent"), which is on file with the City Clerk (the "Paying Agent Agreement"), is hereby approved, and the Mayor and the City Manager, each acting alone (an "Authorized Officer"), is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Paying Agent Agreement in substantially said form, with such additions thereto (including the insertion of the maturity dates, principal amounts, interest rates, place or places for payment of principal and interest, form and costs of issuing the Refunding Bonds) and changes therein as an Authorized Officer may approve, such approval to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer. The City Council hereby authorizes the performance by the City of its obligations under the Paying Agent Agreement. The selection of The Bank of New York Mellon Trust Company, N.A., as Paying Agent is hereby approved and ratified.

Section 2. Approval of Form of Refunding Bonds. The form of Refunding Bonds set forth in the form of Exhibit A to the Paying Agent Agreement is hereby approved, and the Mayor is hereby authorized and directed to execute the Refunding Bonds, and the City Clerk is hereby authorized to countersign in the name and on behalf of the City and to cause the delivery thereof as provided for below.

Section 3. Sale and Issuance of Refunding Bonds. The negotiated sale of the Refunding Bonds to Capital One is hereby approved, provided that the condition set forth in the second paragraph of this Section 3 is satisfied and the final maturity date of the Refunding Bonds shall not be later than August 1, 2032.

As provided in Section 53552 of the Bond Law, the Refunding Bonds shall not be issued unless the total net interest cost to maturity on the Refunding Bonds plus the principal amount of the Refunding Bonds is less than the total net interest cost to maturity on the 2012 Bonds to be refunded plus the principal amount of the 2012 Bonds to be refunded. Before issuing the Refunding Bonds, the City shall receive confirmation from its municipal advisor that the requirements of Section 53552 of the Bond Law have been satisfied.

In connection with the negotiated sale of the Refunding Bonds to Capital One, the City Council hereby directs the City Manager, the Administrative Services Director or the Finance Director to send the notice required by Section 53583(c)(2)(B) of the Bond Law.

In the event that the sale to Capital One is not accomplished as described in this Resolution, the City Manager is hereby authorized to sell the Refunding Bonds by competitive sale or by negotiated sale if the City Manager concludes, based on information provided by the City's municipal advisor, is in the best interests of the City and provided that (a) the final maturity date of the Refunding Bonds shall not be later than August 1, 2032 and (b) the condition set forth in the second paragraph of this Section 3 is satisfied. If the City Manager decides the Refunding Bonds should be sold in a public offering, the Refunding Bonds shall be described in the Official

Statement approved by the City Council in Resolution No. XXXX adopted on the date hereof and may be included in the Bond Purchase Agreement approved by the City Council pursuant to such resolution.

Section 4. Refunding of 2012 Bonds; Approval of Irrevocable Refunding Instructions. The 2012 Bonds shall be refunded in accordance with irrevocable refunding instructions given to the 2012 Paying Agent by the City ("Irrevocable Refunding Instructions"). The City Council hereby approves the Irrevocable Refunding Instructions in substantially the form on file with the City Clerk, together with any changes therein or modifications thereof which are approved by an Authorized Officer, and the execution thereof by an Authorized Officer will be conclusive evidence of the approval of any such changes or modifications. An Authorized Officer is directed to authenticate and execute the final form of the Irrevocable Refunding Instructions on behalf of the City, and to deliver the executed Irrevocable Refunding Instructions. The sufficiency of the amounts deposited with the 2012 Paying Agent to redeem the 2012 Bonds shall be certified by a certified public accountant to the extent required by law, the 2012 Paying Agent Agreement and Capital One.

Section 5. Delegation of Authority to Authorized Officers. The Authorized Officers are hereby authorized and directed to execute, sign and deliver any and all approvals, certificates, statements, requests, requisitions and orders of the City in connection with the sale and issuance of the Refunding Bonds, the purchase of the Refunding Bonds and the other transactions described herein. The Authorized Officers may authorize such other officers of the City as they deem appropriate to undertake any of the actions which he is authorized or directed to undertake pursuant hereto

Section 6. General Authority. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the transactions described herein or to otherwise effectuate the purposes of this resolution. Any such actions previously taken by such officers are hereby ratified and confirmed.

Section 7. Approval of Professional Services. The City Council hereby appoints the firm of Urban Futures, Inc. as municipal advisor to the City in connection with the issuance of the Refunding Bonds and the Authorized Officers are authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk. The City Council hereby appoints the firm of Jones Hall, A Professional Law Corporation, as bond counsel and disclosure counsel to the City in connection with the issuance of the Refunding Bonds, and an Authorized Officer is authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk.

Section 8. Severability. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any remaining provisions hereof.

Section 9. Effective Date. This resolution shall take effect from and after the date of its passage and adoption.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twelfth day of April, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of April, 2022.

Judi A. Herren, City Clerk

Exhibits

A. Government Code Section 5852.1 Disclosure

Government Code Section 5852.1 Disclosure

The following information consists of estimates that have been provided in good faith by the City's Municipal Advisor, based on an estimated principal amount of \$5,890,000:

- (A) True Interest Cost of the Refunding Bonds: 2.50%
- (B) Finance Charge of the Refunding Bonds (Sum of all fees/charges paid to third parties): \$20,145
- (C) Net Proceeds to be Received (net of finance charges, reserves and capitalized interest, if any): \$5,934,789
- (D) Total Payment Amount Through Maturity: \$6,795,063

The foregoing estimates constitute good faith estimates only. The principal amount of the Refunding Bonds, the true interest cost of the Refunding Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Refunding Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Refunding Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Refunding Bonds and other factors. The actual interest rates borne by the Refunding Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

PAYING AGENT AGREEMENT

By and Between

CITY OF MENLO PARK

and

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Paying Agent**

Dated as of April 1, 2022

Relating to

**\$ _____
City of Menlo Park
2022 General Obligation Refunding Bonds
(2001 Election)**

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EXHIBIT A FORM OF BOND

PAYING AGENT AGREEMENT

This Paying Agent Agreement (the "Agreement") is made and entered into as of April 1, 2022, by and between the City of Menlo Park, a general law city organized and existing under the laws of the State of California (the "City") and The Bank of New York Mellon Trust Company, N.A., a national banking association duly organized and existing under the laws of the United States, as Paying Agent (the "Paying Agent")

WITNESSETH:

WHEREAS, at an election held on November 6, 2001, the City of Menlo Park (the "City") submitted the following proposition to the registered voters of the City:

To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided, that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?"; and

WHEREAS, at least two-thirds of the votes cast on the proposition at the election were in favor; and

WHEREAS, pursuant to such authorization and Resolution No. 6044 (the "2012 Bond Resolution"), the City has previously issued the 2012 General Obligation Refunding Bonds (the "2012 Bonds"); and

WHEREAS, the 2012 Bonds were issued under a Paying Agent Agreement, dated as of January 18, 2012 (the "2012 Paying Agent Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A. (the "2012 Paying Agent"); and

WHEREAS, the 2012 Bonds are owned by Capital One Public Funding, LLC ("Capital One"); and

WHEREAS, in order to realize debt service savings for the benefit of the taxpayers of the City, the City wishes to issue its City of Menlo Park 2022 General Obligation Refunding Bonds (2001 Election) (the "Bonds") for the purpose of refinancing the 2012 Bonds; and

WHEREAS, the City Council is authorized to provide for the issuance and sale of the Bonds under the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 of said Code (the "Bond Law"); and

WHEREAS, Capital One and the City have agreed that the City may redeem the 2012 Bonds on April 14, 2022; and

WHEREAS, Capital One has offered to purchase the Bonds at a price that City staff has concluded, with input from the City's municipal advisor, is in the best interests of the City, and the City and the Paying Agent wish to enter into this Agreement to specify the terms of the Bonds; and

WHEREAS, the City Council of the City authorized the issuance of the Bonds and the execution and delivery of this Agreement pursuant to Resolution No. _____, adopted on April 12, 2022 (the "City Resolution");

NOW THEREFORE, the City and the Paying Agent agree as follows:

**ARTICLE I
DEFINITIONS; AUTHORITY**

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Agreement, have the meanings ascribed to them below, unless the context clearly requires some other meaning.

“**Articles,**” “**Sections**” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Agreement, and the words “herein,” “hereof,” “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or subdivision hereof.

“**Authorized Denomination**” means the outstanding principal amount of the Bonds.

“**Bond Counsel**” means any attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

“**Bond Law**” means Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, commencing with Section 53550 of said Code, as amended from time to time.

“**Bond Service Fund**” means the Bond Service Fund established pursuant to Section 4.04 hereof.

“**Bonds**” means the City of Menlo Park 2022 General Obligation Refunding Bonds, (2001 Election), Outstanding pursuant to this Agreement.

“**Business Day**” means a day which is not a Saturday or Sunday or a day on which banks in San Francisco and Los Angeles, California, and New York, New York, are not required or permitted to be closed.

“**City Representative**” means the City Manager, the Administrative Services Director, the Finance and Budget Manager or any other person authorized by resolution of the City Council of the City or by the City Manager or the Administrative Services Director to act on behalf of the City with respect to this Agreement.

“**City Resolution**” has the meaning given to said term in the recitals hereto.

“**City Treasurer**” means the City Treasurer or any other person authorized by resolution of the City Council to act on behalf of the City with respect to this Agreement.

“**Closing Date**” means the date upon which there is an exchange of Bonds for the proceeds representing the purchase price of the Bonds by the Purchaser.

“**Code**” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on

the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

“Costs of Issuance Fund” means the Costs of Issuance Fund established pursuant to Section 4.01 hereof.

“Debt Service” means the scheduled amount of interest and principal, including principal paid pursuant to mandatory sinking fund redemption, payable on the Bonds during the period of computation, excluding amounts scheduled during such period which relate to principal which has been retired before the beginning of such period.

“Debt Service Fund” means the Debt Service Fund (2022 General Obligation Refunding Bonds) established pursuant to Section 4.02 hereof.

“Fair Market Value” means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm’s length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of section 1273 of the Code) and, otherwise, the term “Fair Market Value” means the acquisition price in a bona fide arm’s length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the City and related parties do not own more than a ten percent (10%) beneficial interest if the return paid by the fund is without regard to the source of investment.

“Federal Securities” means Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises.

“Institutional Accredited Investor” means an “accredited investor” as defined in subsections (a)(1), (2), (3) and (7) of Securities and Exchange Commission Rule 501 promulgated under the Securities Act of 1933,

“Issuance Expenses” means all items of expense directly or indirectly reimbursable to the City relating to the execution and delivery of the Bonds, including but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, legal fees and charges, bond insurance premiums, fees and expenses of the Paying Agent, financial and other professional consultant fees, and costs of obtaining credit ratings.

“Original Purchaser” means Capital One Public Funding, LLC.

“Outstanding,” when used as of any particular time with reference to Bonds, means all Bonds except:

(a) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation;

(b) Bonds paid or deemed to have been paid within the meaning of Section 9.03 hereof; and

(c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City pursuant to the Agreement.

“Owner” or **“Bondowner”** means any person who shall be the registered owner of any Outstanding Bond.

“Person” means an individual, corporation, firm, association, partnership, trust or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“Principal Office” means the office or offices of the Paying Agent for the payment of the Refunding Bonds and the administration of its duties hereunder, as such office or offices shall be identified in a written notice filed with the City by the Paying Agent, provided, however, solely for the purposes of the presentation and surrender of the Refunding Bonds for payment, transfer or exchange, the Principal Office of the Paying Agent shall be the designated corporate trust agency or operations office of the Paying Agent.

“Qualified Institutional Buyer” means a qualified institutional buyer as defined in Rule 144A promulgated pursuant to the United States Securities Act of 1933, as amended.

“Regulations” means temporary and permanent regulations promulgated under the Code.

“Supplemental Agreement” means any agreement supplemental to or amendatory of this Agreement entered into in accordance with Article VIII hereof.

“Written Request of the City” means an instrument in writing signed by the City Representative.

Section 1.02. Authority for this Agreement. This Agreement is being entered into pursuant to the authority set forth in the Bond Law and the City Resolution, constitutes a continuing agreement with the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding, to secure the full and final payment of principal of and premiums, if any, and the interest on the Bonds, all pursuant to the provisions of the Bond Law.

**ARTICLE II
THE BONDS**

Section 2.01. Authorization. Bonds in the aggregate principal amount of _____ dollars (\$_____) are hereby authorized to be issued by the City under and subject to the terms of the Bond Law and which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The Bonds shall be designated the “City of Menlo Park 2022 General Obligation Refunding Bonds (2001 Election)”.

Section 2.02. Terms of Bonds.

(a) Form; Numbering. The Bonds shall be issued as fully registered Bonds, without coupons, in an Authorized Denomination. Bonds shall be lettered and numbered as the Paying Agent shall prescribe.

The Bonds shall be issued in an Authorized Denomination

(b) Date of Bonds. The Bonds shall be dated the Closing Date.

(c) CUSIP Identification Numbers. “CUSIP” identification numbers may, at the election of the Original Purchaser, be imprinted on the Bonds, but such numbers shall not constitute a part of the contract evidenced by the Bonds and any error or omission with respect thereto shall not constitute cause for refusal of the Purchaser to accept delivery of and pay for the Bonds. In addition, failure on the part of the City to use such CUSIP numbers in any notice to Owners of the Bonds shall not constitute an event of default or any violation of the City’s contract with such Owners and shall not impair the effectiveness of any such notice.

(d) Maturities; Interest. The Bonds shall bear interest at the rate or rates set forth below, payable on February 1 and August 1 of each year, commencing February 1, 2023 (each an “**Interest Payment Date**”), and shall mature and become payable as to principal on August 1 of the years and in the amounts as set forth below.

Maturity Date <u>(August 1)</u> 2032	Principal <u>Amount</u>	Interest <u>Rate</u>
--	----------------------------	-------------------------

Each Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is registered and authenticated as of an Interest Payment Date, in which event it shall bear interest from such date, or (ii) it is registered and authenticated prior to an Interest Payment Date and after the close of business on the fifteenth day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is registered and authenticated on or prior to January 15, 2010, in which event it shall bear interest from the date of original issuance and authentication of the Bonds; provided, however, that if at the time of registration and authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

(e) Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check mailed on the applicable Interest Payment Date to the Owner thereof at his or her address as it appears on the registration books maintained by the Paying Agent at the close of business on the fifteenth (15th) day of the month preceding the Interest Payment Date, or at such other address as the Owner may have filed with the Paying Agent for that purpose; provided that an Owner shall, at their option, receive payment of interest by wire transfer to an account in the United States of America designated by such Owner to the Paying Agent no later than the fifteenth (15) day of the month immediately preceding the applicable Interest Payment Date. Principal of the Bonds is payable in lawful money of the United States of America at the Principal Office of the Paying Agent.

Section 2.03. Redemption.

(a) Optional Redemption. The Bonds are not subject to optional redemption prior to their maturity date.

(b) Mandatory Sinking Fund Redemption. The Bonds are subject to mandatory sinking fund redemption in part, by lot, prior to their stated maturity date, on each August 1 on and after August 1, 20__, at a redemption price equal to 100% of the principal amount thereof called for redemption, plus accrued interest to the redemption date, without premium, as follows:

<u>Date</u> <u>(August 1)</u>	<u>Amount</u>
(Maturity)	

Section 2.04. Form of Bonds. The Bonds, the form of the Paying Agent's certificate of authentication and registration and the form of assignment to appear thereon shall be substantially in the forms, respectively, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Agreement, as are set forth in Exhibit A attached hereto.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the City by the manual or facsimile signatures of its Mayor and attested by the manual or facsimile signature of its City Clerk. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Purchaser. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond shall be the proper officers of the City although at the nominal date of such Bond any such person shall not have been such officer of the City.

Only such Bonds as shall bear thereon a certificate of authentication and registration in the form set forth in Exhibit A attached hereto, executed and dated by the Paying Agent, shall be valid or obligatory for any purpose or entitled to the benefits of this Agreement, and such certificate of the Paying Agent shall be conclusive evidence that the Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Agreement.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 2.08 hereof, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The Paying Agent shall require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Whenever any Bond or Bonds shall be surrendered for transfer, the City shall execute and the Paying Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Bonds shall be required to be made (a) fifteen days prior to the date established for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption (except with respect to the unredeemed portion thereof).

The Bonds may only be transferred in an Authorized Denomination to an Institutional Accredited Investor or Qualified Institutional Buyer who delivers to the Trustee and the Authority an executed letter substantially in the forms of Exhibit B of this Agreement.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Bonds of Authorized Denomination and of the same maturity. The Paying Agent shall require the payment by the Owner

requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

No exchanges of Bonds shall be required to be made (a) fifteen days prior to the date established for selection of Bonds for redemption or (b) with respect to a Bond after such Bond has been selected for redemption (except with respect to the unredeemed portion thereof).

Section 2.08. Bond Register. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the City, and may contain such reference to any of the provisions of this Agreement as may be appropriate. Every temporary Bond shall be executed by the City upon the same conditions and in substantially the same manner as the definitive Bonds. If the City issues temporary Bonds it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds may be surrendered, for cancellation, in exchange therefor at the Principal Office of the Paying Agent and the Paying Agent shall deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Agreement as definitive Bonds executed and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated the City, at the expense of the Owner of said Bond, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Paying Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Paying Agent shall be canceled by it and delivered to, or upon the order of, the City. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and, if such evidence be satisfactory to the City and indemnity satisfactory to it shall be given, the City, at the expense of the Owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like maturity and principal amount in lieu of and in substitution for the Bond so lost, destroyed or stolen. The City may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the City and the Paying Agent in the premises. Any Bond issued under the provisions of this Section 2.10 in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Agreement with all other Bonds issued pursuant to this Agreement.

**ARTICLE III
ISSUANCE OF BONDS; APPLICATION OF
BOND PROCEEDS; SECURITY FOR THE BONDS**

Section 3.01. Issuance and Delivery of Bonds. At any time after the execution of this Agreement the City may issue and deliver Bonds in the aggregate principal amount of _____ dollars (\$_____).

The Bonds, substantially in the form attached hereto as Exhibit A, shall be printed, signed and sealed, and delivered to the Original Purchaser on receipt of the purchase price therefor and upon receipt of the proceeds from the sale of the Bonds described in Section 3.02. The appropriate officials of the City are hereby authorized to take any and all action any of them deem reasonable in order to enable the City to execute and deliver the Bonds.

The Paying Agent is hereby authorized to deliver the Bonds to the Original Purchaser, upon receipt of a Written Request of the City.

Section 3.02. Application of Proceeds of Sale of Bonds. Upon the receipt of payment for the Bonds from the Original Purchaser, being an amount equal to the purchase price of the Bonds (_____), less the amount of \$_____, which shall be wired directly to the 2012 Paying Agent for application in accordance with instructions given to the 2012 Paying Agent by the City, the proceeds thereof shall be deposited as follows:

- (a) in the Costs of Issuance Fund, an amount required to pay the Issuance Costs (\$_____) and
- (b) in the Debt Service Fund the amount of \$_____.

Section 3.03. Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be dependent upon the completion of the Project or upon the performance by any person of his or her obligation with respect to such Project.

Section 3.04. Security for the Bonds. The Bonds are general obligations of the City, and the City Council has the power to direct the County of San Mateo to levy ad valorem taxes upon all property within the City subject to taxation without limitation of rate or amount, for the payment of the Bonds and the interest thereon, in accordance with Section 43632 of the Government Code. The City hereby covenants to direct the County of San Mateo to levy on all the taxable property in the City, in addition to all other taxes, a continuing direct and ad valorem tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, including the principal of any Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be deposited in the Debt Service Fund.

Amounts in the General Fund of the City are not pledged to the payment of the Bonds. However, nothing herein limits the ability of the City to provide for payment of the principal of and interest and redemption premium (if any) on the Bonds from any source of legally available funds of the City. Any amounts so advanced by the City from legally available funds may be

reimbursed from ad valorem property taxes described in the previous paragraph subsequently collected for the payment of the Bonds.

The principal of and interest and redemption premium (if any) on the Bonds do not constitute a debt of the County of San Mateo, the State of California, or any of its political subdivisions other than the City, or any of the officers, agents or employees thereof, and neither the County of San Mateo, the State of California, any of its political subdivisions nor any of the officers, agents or employees thereof shall be liable thereon

**ARTICLE IV
FUNDS AND ACCOUNTS**

Section 4.01. Costs of Issuance Fund. There is hereby established with the Paying Agent as a separate fund, to be maintained distinct from all other funds of the Paying Agent, the Costs of Issuance Fund, to the credit of which a deposit shall be made as required by clause (a) of Section 3.02. Money in the Costs of Issuance Fund shall be held by the Paying Agent and disbursed for the payment of Issuance Costs in accordance with written directions given by a City Representative. On July 1, 2022, the Paying Agent shall transfer any remaining amounts in the Costs of Issuance Fund to the Debt Service Fund.

At such time that no amounts remain on deposit in the Costs of Issuance Fund, the City shall close the Project Fund.

Section 4.02. Debt Service Fund. The City hereby establishes a special fund to be held by the City separate and apart from all other funds of the City, to be known as the “Debt Service Fund (2022 General Obligation Refunding Bonds)”. All taxes levied by the County of San Mateo, as directed by the City, for the payment of the principal of and interest and premium (if any) on the Bonds shall be deposited in the Debt Service Fund by the City promptly upon the receipt thereof from the County of San Mateo. The Debt Service Fund is hereby pledged for the payment of the principal of and interest on the Refunding Bonds when and as the same become due. The City shall transfer amounts in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, to the Paying Agent. Alternatively, the City may direct the County of San Mateo to transfer such taxes, in whole or in part, directly to the Paying Agent for the purpose of making payments of principal of and interest on the Refunding Bonds.

If, after payment in full of the Bonds, any amounts remain on deposit in the Debt Service Fund, the City shall transfer such amounts to its General Fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

The Debt Service Fund shall be administered and disbursements made in the manner and in the order set forth in Section 4.03 hereof.

Section 4.03. Administration and Disbursements From Debt Service Fund. All moneys in the Debt Service Fund shall be used and withdrawn by the City solely for the purpose of paying the principal of and interest on the Bonds as the same shall become due and payable. At least five (5) Business Days prior to each Interest Payment Date, commencing in January, 2023, the City shall transfer to the Paying Agent moneys on deposit in the Debt Service Fund for application by the Paying Agent on the next succeeding Interest Payment Date to the payment of principal of and interest on the Bonds.

Section 4.04. Bond Service Fund. There is hereby established as a separate fund the Bond Service Fund, to be held by the Paying Agent. All moneys received by the Paying Agent from the City pursuant to Section 4.03 shall be deposited into the Bond Service Fund. The moneys on deposit in the Bond Service Fund shall be used solely to pay principal and interest on the Bonds when due.

Section 4.05. Investment of Moneys.

(a) The City shall invest all moneys held in any of the funds or accounts established with it hereunder in accordance with the investment policies of the City, as such policies shall exist at the time of investment, and in accordance with Section 53601 of the California Government Code. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established with it hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof. The City covenants that all investments of amounts deposited in any fund or account established with it hereunder, or otherwise containing proceeds of the Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section 4.03, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt..

(b) The amounts in the Bond Service Fund shall be held uninvested by the Paying Agent.

**ARTICLE V
OTHER COVENANTS OF THE CITY**

Section 5.01. Punctual Payment. The City will punctually pay, or cause to be paid, the principal of and interest on the Bonds, in strict conformity with the terms of the Bonds and of this Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement and of the Bonds. Nothing herein contained shall prevent the City from making advances of its own moneys, howsoever derived, to any of the uses or purposes permitted by law.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner. In case any such claim for interest shall be extended or funded, whether or not with the consent of the City, such claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Agreement, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have so extended or funded.

Section 5.03. Payment of Claims. The City will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the project financed with the proceeds of the Bonds which might impair the security of the Bonds. Nothing herein contained shall require the City to make any such payment so long as the City in good faith shall contest the validity of said claims.

Section 5.04. Books and Accounts. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City in which complete and correct entries shall be made of all transactions relating to the project financed with proceeds of the Bonds. Such books of record and accounts shall at all times during business hours be subject to inspection by the Owners of not less than ten percent (10%) of the principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

Section 5.05. Protection of Security and Rights of Bondowners. The City will preserve and protect the security of the Bonds and the rights of the Bondowners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the Bonds shall be incontestable by the City.

Section 5.06. Reserved.

Section 5.07. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Agreement.

Section 5.08. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Paying Agent or otherwise, any action with respect to the proceeds of the Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the Bonds would have caused the Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

Section 5.09. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code.

Section 5.10. Private Activity Bond Limitation. The City shall assure that the proceeds of the Bonds are not so used as to cause the Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.11. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the Bonds.

Section 5.12. Rebate Requirement. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of Excess Investment Earnings, if any, to the federal government, to the extent that such section is applicable to the Bonds.

Section 5.13. Information Report. The Finance Manager is hereby directed to assure the filing of an information report for the Bonds in compliance with Section 149(e) of the Code.

Section 5.14. Record Retention. . The City will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least 3 years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the City will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the Bonds.

Section 5.15. Tax Certificates. The City will comply with the provisions of the Certificate as to Arbitrage and the Certificate Regarding Use of Proceeds with respect to the Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section will survive payment in full or defeasance of the Bonds.

**ARTICLE VI
THE PAYING AGENT**

Section 6.01. Appointment of Paying Agent. The Bank of New York Mellon Trust Company, N.A., at its Principal Office, or in such other location as approved by the City, is hereby appointed Paying Agent for the Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Agreement, and, even during the continuance of an Event of Default, no implied covenants or obligations shall be read into this Agreement against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Agreement by executing and delivering to the City this Agreement.

The City may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business in the State of California, having (or, if such bank or trust company is a member of a bank holding company, its parent holding company has) a combined capital (exclusive of borrowed capital) and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the City and the Bondowners of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent shall become effective upon acceptance of appointment by the successor Paying Agent.

Section 6.02. Paying Agent May Hold Bonds. The Paying Agent may become the owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

Section 6.03. Liability of Agents. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Agreement or of the Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Agreement. The Paying Agent shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Agreement; but in the case of any such certificates or opinions by which any provision hereof are specifically required to be furnished to the Paying Agent, the Paying Agent shall be under a duty to

examine the same to determine whether or not they conform to the requirements of this Agreement.

The Paying Agent shall not be liable for any error of judgment made in good faith by a responsible officer unless it shall be proved that the Paying Agent was negligent in ascertaining the pertinent facts.

No provision of this Agreement shall require the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

Section 6.04. Notice to Agents. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be of counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Agreement the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the City, and such certificate shall be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Agreement upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.05. Compensation, Indemnification. The City shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Agreement, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Agreement. A City Representative is hereby authorized to execute an agreement or agreements with the Paying Agent in connection with such fees and expenses. The City further agrees to indemnify and save the Paying Agent harmless against any liabilities, costs, claims and expenses of any kind which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

Section 6.06. Funds and Accounts. The Paying Agent may establish such funds and accounts as it reasonably deems necessary or appropriate to perform its obligations under this Agreement.

**ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES OF BONDOWNERS**

Section 7.01. Events of Default. If one or more of the following events (“**Events of Default**”) shall happen, that is to say:

(a) if default shall be made by the City in the due and punctual payment of the principal of or redemption premium, if any, on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed or by declaration or otherwise;

(b) if default shall be made by the City in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable;

(c) if default shall be made by the City in the observance of any of the covenants, agreements or conditions on its part in this Agreement or in the Bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the City Representative; or

(d) if the City shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the City under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the City or of the whole or any substantial part of its property;

then, and in each and every event of default and upon written request of the Owners of not less than sixty percent (60%) in aggregate principal amount of the Bonds at the time Outstanding, the principal of all of the Bonds then Outstanding, and the interest accrued thereon, shall be declared to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, anything in this Agreement or in the Bonds contained to the contrary notwithstanding.

Such declaration may be rescinded by the Owners of not less than sixty percent (60%) in aggregate principal amount of the Bonds at the time Outstanding provided the City cures such default or defaults, including the deposit with the Paying Agent of a sum sufficient to pay all principal on the respective Bonds matured prior to such declaration and all matured installments of interest (if any) on the Bonds, with interest at the rate of twelve percent (12%) per annum on such overdue installments of principal and, to the extent such payment of interest is lawful at that time, on such overdue installments of interest, so that the City is currently in compliance with all payment, deposit and transfer provisions of this Agreement, and a sum sufficient to pay any expenses incurred by the Paying Agent in connection with such default.

Section 7.02. Application of Funds. All of the sums in the funds and accounts provided for in Sections 4.02 and 4.03 hereof, upon the date of the Event of Default as provided in Section 7.01 hereof, and all sums thereafter received by the Paying Agent hereunder, shall be applied by the Paying Agent in the following order upon presentation of the Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the costs and expenses of the Paying Agent hereunder and of the costs and expenses of Bondowners in declaring such event of default, including reasonable compensation to her or their agents, attorneys and counsel;

Second, in case the principal of the Bonds shall not have become due and payable, to the payment of the interest in default in the order of the seniority of the installments of such interest, with interest on the overdue installments at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments shall have been collected), such payments to be made ratably to the persons entitled thereto without discrimination or preference;

Third, in case the principal of the Bonds shall have become and shall be then due and payable, all such sums shall be applied to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the rate of twelve percent (12%) per annum (to the extent that such interest on overdue installments of interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest.

Section 7.03. Other Remedies of Bondowners. Any Bondowner shall have the right, for the equal benefit and protection of all Bondowners similarly situated:

(a) by mandamus, suit, action or proceeding, to compel the City and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Agreement and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the City and the fulfillment of all duties imposed upon it;

(b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bondowners' rights; or

(c) upon the happening of any event of default (as defined in Section 7.01 hereon, by suit, action or proceeding in any court of competent jurisdiction, to require the City and its members and employees to account as if it and they were the Paying Agents of an express trust.

Section 7.04. Non-Waiver. Nothing in this Article VII or in any other provision of this Agreement, or in the Bonds, shall affect or impair the obligation of the City, which is absolute

and unconditional, to pay the principal of and interest on the Bonds to the respective Owners of the Bonds at the respective dates of maturity, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of such Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Bondowner shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner of any of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Bondowners by this Article VI may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners of the Bonds.

If a suit, action or proceeding to enforce any right or exercise any remedy be abandoned or determined adversely to the Bondowners, the City and the Bondowners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 7.05. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Bonds shall be exclusive of any other remedy and that each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bondowners.

**ARTICLE VIII
SUPPLEMENTAL AGREEMENTS**

Section 8.01. Amendments Permitted. This Agreement and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Agreement pursuant to the affirmative vote at a meeting of Owners, or with the written consent without a meeting, of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 8.04. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the *ad valorem* taxes of the taxes superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by the Bond Law, the laws of the State of California or this Agreement), or reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Paying Agent without its written consent.

This Agreement and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Agreement, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(a) to add to the covenants and agreements of the City in this Agreement contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(b) to make modifications not adversely affecting any outstanding series of Bonds of the City in any material respect;

(c) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Agreement, or in regard to questions arising under this Agreement, as the City and the Paying Agent may deem necessary or desirable and not inconsistent with this Agreement, and which shall not adversely affect the rights of the Owners of the Bonds; and

(d) to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with Section 148 of the Code relating to required rebate of Excess Investment Earnings to the United States or otherwise as may be necessary to assure exclusion from gross income for federal income tax purposes of interest on the Bonds or to conform with the Regulations.

Section 8.02. Owners' Meetings. The City may at any time call a meeting of the Owners. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 8.03. Procedure for Amendment with Written Consent of Owners. The City and the Paying Agent may at any time adopt a Supplemental Agreement amending the provisions of the Bonds or of this Agreement or any Supplemental Agreement, to the extent that such amendment is permitted by Section 8.01, to take effect when and as provided in this Section. A copy of such Supplemental Agreement, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Paying Agent to each Owner of Bonds Outstanding, but failure to mail copies of such Supplemental Agreement and request shall not affect the validity of the Supplemental Agreement when assented to as in this Section provided.

Such Supplemental Agreement shall not become effective unless there shall be filed with the Paying Agent the written consents of the Owners of at least sixty percent (60%) in aggregate principal amount of the Bonds then Outstanding (exclusive of Bonds disqualified as provided in Section 8.04) and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 9.04. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Paying Agent prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Agreement, stating in substance that the Supplemental Agreement has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Agreement or consents thereto). Proof of the mailing of such notice shall be filed with the Paying Agent. A record, consisting of the papers required by this Section 8.03 to be filed with the Paying Agent, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Agreement shall become effective upon the filing with the Paying Agent of the proof of mailing of such notice, and the Supplemental Agreement shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty-day period.

Section 8.04. Disqualified Bonds. Bonds owned or held for the account of the City, excepting any pension or retirement fund, shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds provided for in this Article VIII, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Article VIII.

Section 8.05. Effect of Supplemental Agreement. From and after the time any Supplemental Agreement becomes effective pursuant to this Article VIII, this Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties

and obligations under this Agreement of the City and all owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Agreement shall be deemed to be part of the terms and conditions of this Agreement for any and all purposes.

Section 8.06. Endorsement or Replacement of Bonds Issued After Amendments. The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article VIII shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the Principal Office of the Paying Agent or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the Principal Office of the Paying Agent without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. Amendatory Endorsement of Bonds. The provisions of this Article VIII shall not prevent any Owner from accepting any amendment as to the particular Bonds held by him, provided that due notation thereof is made on such Bonds.

**ARTICLE IX
MISCELLANEOUS**

Section 9.01. Benefits of Agreement Limited to Parties. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the City, the Paying Agent and the Owners, any right, remedy, claim under or by reason of this Agreement. Any covenants, stipulations, promises or agreements in this Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Paying Agent.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Agreement or any Supplemental Agreement either the City or the Paying Agent is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the City or the Paying Agent shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Discharge of Agreement. The City shall have the option to pay and discharge the entire indebtedness on all or any portion of the Bonds Outstanding in any one or more of the following ways:

(a) by paying or causing to be paid the principal of, and interest and any premium on, such Bonds Outstanding, as and when the same become due and payable;

(b) by depositing with the Paying Agent, in trust, at or before maturity, money which, together with, in the event of a discharge of all of the Bonds, the amounts then on deposit in the funds and accounts provided for in Sections 4.02 and 4.03 is fully sufficient to pay such Bonds Outstanding, including all principal, interest and redemption premiums; or

(c) by irrevocably depositing with the Paying Agent, in trust, cash and Federal Securities in such amount as the City shall determine as confirmed by an independent certified public accountant will, together with the interest to accrue thereon and, in the event of a discharge of all of the Bonds, moneys then on deposit in the fund and accounts provided for in Sections 4.02 and 4.03, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premiums) at or before their respective maturity dates.

If the City shall have taken any of the actions specified in (a), (b) or (c) above, and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption shall have been given as in this Agreement provided or provision satisfactory to the Paying Agent shall have been made for the giving of such notice, then, at the election of the City, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the funds and moneys provided for in this Agreement and all other obligations of the City under this Agreement with respect to such Bonds Outstanding shall cease and terminate. Notice of such election shall be filed with the Paying Agent. Notwithstanding the foregoing, the obligation of the City to pay or cause to be paid to the Owners of the Bonds not so surrendered

and paid all sums due thereon and all amounts owing to the Paying Agent pursuant to Section 7.05 shall continue in any event.

Upon compliance by the City with the foregoing with respect to all Bonds Outstanding, any funds held by the Paying Agent after payment of all fees and expenses of the Paying Agent, which are not required for the purposes of the preceding paragraph, shall be paid over to the City.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, declaration or other instrument which this Agreement may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same shall be proved by the registry books.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Paying Agent in good faith and in accordance therewith.

Section 9.05. Waiver of Personal Liability. No member, officer, agent or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.06. Notices to and Demands on City and Paying Agent. Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the Paying Agent to or on the City may be given or served by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the City with the Paying Agent) to:

The City of Menlo Park
701 Laurel St.
Menlo Park, CA 94025
Attn: City Manager

Any notice or demand which by any provision of this Agreement is required or permitted to be given or served by the City to or on the Paying Agent may be given or served

by being deposited postage prepaid in a post office letter box addressed (until another address is filed by the Paying Agent with the City) to:

The Bank of New York Mellon Trust Company, N.A.
2001 Bryan Street, 11th Floor
Dallas, TX 75201
Attn: Corporate Trust

Section 9.07. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Agreement shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Agreement. The City hereby declares that it would have adopted this Agreement and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Agreement may be held illegal, invalid or unenforceable.

Section 9.08. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any moneys held by the Paying Agent in trust for the payment and discharge of the principal of, and the interest and any premium on, the Bonds which remains unclaimed for two (2) years after the date when the payments of such principal, interest and premium have become payable, if such moneys was held by the Paying Agent at such date, shall be repaid by the Paying Agent to the City as its absolute property free from any trust, and the Paying Agent shall thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the City for the payment of the principal of, and interest and any premium on, such Bonds.

Section 9.09. Applicable Law. This Agreement shall be governed by and enforced in accordance with the laws of the State of California applicable to contracts made and performed in the State of California.

Section 9.10. Conflict with Bond Law. In the event of a conflict between any provision of this Agreement with any provision of the Bond Law as in effect on the Closing Date, the provision of the Bond Law shall prevail over the conflicting provision of this Agreement.

Section 9.11. Conclusive Evidence of Regularity. Bonds issued pursuant to this Agreement shall constitute conclusive evidence of the regularity of all proceedings under the Bond Law relative to their issuance and the levy of the *ad valorem* taxes securing the payment of the Bonds.

Section 9.12. Payment on Business Day. In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Agreement is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day which is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 9.13. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in its name and the Paying Agent has caused this Agreement to be executed in its name, all as of the date first written above.

CITY OF MENLO PARK

By: _____

Its: _____

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Paying Agent

By: _____

Its: _____

No. _____

\$ _____

EXHIBIT A
FORM OF BOND

REGISTERED BOND NO. _____

\$ _____

CITY OF MENLO PARK
2022 GENERAL OBLIGATION REFUNDING BOND
(2001 Election)

INTEREST RATE: _____% per annum **MATURITY DATE:** August 1, ____ **DATED DATE:** _____ **CUSIP** _____

REGISTERED OWNER: Capital One Public Funding, LLC

PRINCIPAL AMOUNT:

The CITY OF MENLO PARK, a municipal corporation duly organized and existing under the laws of the State of California (the "City"), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount set forth above on the Maturity Date set forth above, together with interest thereon at the Interest Rate set forth above, calculated on a 30/360 day basis, until the Principal Amount hereof is paid or provided for, such interest to be paid on February 1 and August 1 of each year, commencing _____, 20__ (the "Interest Payment Dates"). This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof, unless (a) it is authenticated as of a business day following the 15th day of the month immediately preceding any Interest Payment Date and on or before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated on or before _____, 20__, in which event it shall bear interest from the Dated Date set forth above.

The principal and redemption premium (if any) of and interest on this Bond are payable in lawful money of the United States of America to the person in whose name this Bond is registered (the "Registered Owner") on the Bond registration books maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A., Minneapolis, Minnesota. Principal hereof and any redemption premium is payable upon presentation and surrender of this Bond at the principal corporate trust office of the Paying Agent. Interest hereon is payable by check mailed by the Paying Agent on each Interest Payment Date to the Registered Owner of

this Bond by first-class mail at the address appearing on the Bond registration books at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Record Date"); *provided, however,* that at the written request of the registered owner of Bonds payments shall be made by wire transfer in immediately available funds to such account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is one of a series of \$_____ of bonds (the "Bonds") issued for the purpose of refinancing outstanding bonded indebtedness of the City and paying all necessary financing costs in connection therewith. The Bonds have been issued under authority of and under the laws of the State of California, a resolution of the City Council of the City adopted on April 12, 2022 (the "Bond Resolution") and a Paying Agent Agreement, dated as of April 1, 2022 (the "Paying Agent Agreement"), by and between the City and The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent"). The Bonds are payable as to both principal and redemption premium (if any) and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the City, which taxes are unlimited as to rate or amount, that the City levies for the payment of the Bonds and the interest thereon, in accordance with Section 43632 of the Government Code.

The principal and redemption premium (if any) of and interest on this Bond do not constitute a debt of the County of San Mateo, the State of California, or any of its political subdivisions other than the City, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions other than the City, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal and redemption premium (if any) of and interest on this Bond be payable out of any funds or properties of the City other than *ad valorem* taxes described in the previous paragraph.

The Bonds are issuable only as fully registered Bonds in Authorized Denominations (as defined in the Paying Agent Agreement). This Bond is exchangeable and transferable as described in the Paying Agent Agreement.

The Bonds may only be transferred in an Authorized Denomination to an Institutional Accredited Investor or Qualified Institutional Buyer who delivers to the Trustee and the Authority an executed letter substantially in the form set forth in the Paying Agent Agreement.

Any tax or governmental charges shall be paid by the transferor. The City and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds are not subject to optional redemption prior to their stated maturity date.

The Bonds are subject to mandatory sinking fund redemption on August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to 100% of

the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption.

Sinking Fund
Redemption Date
(August 1)

Principal
Amount To Be
Redeemed

Reference is made to the Paying Agent Agreement for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

IT IS CERTIFIED, RECITED AND DECLARED that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the City, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the City in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the City are hereby pledged.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Paying Agent Agreement until the Certificate of Authentication below has been manually signed by the Paying Agent.

IN WITNESS WHEREOF, the City of Menlo Park has caused this Bond to be executed by the facsimile signature of its Mayor and attested by the facsimile signature of its City Clerk, all as of the date stated above.

CITY OF MENLO PARK

By _____
Mayor

Attest:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Bond Resolution referred to herein.

Date of Authentication:

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,**
as Paying Agent

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint _____
_____ attorney, to transfer the same on the registration books of the Bond Registrar,
with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by
a an eligible guarantor institution.

Note: The signature(s) on this
Assignment must correspond with the
name(s) as written on the face of the
within Bond in every particular without
alteration or enlargement or any change
whatsoever.

EXHIBIT B

FORM OF INVESTOR LETTER

[date]

City of Menlo Park

The Bank of New York Mellon Trust Company, N.A.,
as Paying Agent

Re: City Menlo Park 2022 General Obligation Refunding Bonds (2001 Election)

Ladies and Gentlemen:

The undersigned (the "Purchaser") understands that the City of Menlo Park (the "City") has issued the captioned bonds (the "Bonds") in the initial principal amount of \$_____ pursuant to a Paying Agent Agreement, dated as of April 1, 2022 (the "Paying Agent Agreement"), between the City and Paying Agent identified therein.

In connection with its purchase of the Bonds, the Purchaser makes the certifications, representations, warranties, acknowledgements and covenants contained in this Investor Letter to each of the addressees hereof, with the express understanding that such certifications, representations, warranties, acknowledgements and covenants will be relied upon by such addressees.

The Purchaser hereby certifies, represents, warrants, acknowledges and covenants as follows:

(a) The Purchaser is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was incorporated or formed and is authorized to invest in the Bonds being purchased hereby. The person executing this letter on behalf of the Purchaser is duly authorized to do so on the Purchaser's behalf.

(b) The Purchaser (MARK APPROPRIATELY):

_____ is a "qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"), or

_____ is an "accredited investor" (an "Institutional Accredited Investor") as defined in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act.

(c) The Purchaser is not purchasing the Bonds for more than one account, is purchasing the Bonds for its own account and is not purchasing the Bonds with a view to distributing the Bonds.

(d) The Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal bonds and other tax-

exempt obligations similar to the Bonds, to be capable of evaluating the merits and risks of an investment in the Bonds, and the Purchaser is able to bear the economic risks of such an investment.

(e) The Purchaser recognizes that an investment in the Bonds involves significant risks, that there is no established market for the Bonds and that none is likely to develop and, accordingly, that the Purchaser must bear the economic risk of an investment in the Bonds for an indefinite period of time.

(f) The Purchaser understands and agrees that ownership of the Bonds may be transferred: (i) only to a person that the Purchaser reasonably believes is either: (A) a Qualified Institutional Buyer that is purchasing such Bonds for not more than one account, for their own account and not with a view to distributing such Bonds; or (B) an Institutional Accredited Investor that is purchasing such Bonds for not more than one account for investment purposes and not with a view to distributing such Bonds; and (ii) only if such Qualified Institutional Buyer or Institutional Accredited Investor delivers to the County and the Fiscal Agent a completed and duly executed Investor Letter substantially in the form hereof.

(g) The Purchaser is not relying upon the County, or any of its affiliates, agents or employees, for advice as to the merits and risks of investment in the Bonds. The Purchaser understands that the Bonds are special, limited obligations payable and secured solely from ad valorem taxes as described in the Paying Agent Agreement. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision.

(h) The Purchaser has conducted its own independent examination of, and has had an opportunity to ask questions and receive answers concerning, the City, the authorizing resolution of the City with respect to the Bonds (the "Resolution"), the Bonds, the Paying Agent Agreement and the security therefor and the transactions and documents related to or contemplated by the foregoing.

(i) The Purchaser has been furnished with all documents and information regarding the City, the Resolution, the Bonds, the Paying Agent Agreement and the security therefor and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto, that it has requested.

(j) The Purchaser understands and agrees that: (i) the offering and sale of the Bonds are exempt from Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, pursuant to Section (d) of said Rule; (ii) the Bonds will not be listed on any stock or other securities exchange and were issued without registration under the provisions of the Securities Act of 1933 or any state securities laws; (iii) no official statement or other disclosure document is being prepared in connection with the issuance of the Bonds; and (iv) the Bonds will not carry any rating from any rating service.

(k) The person executing this letter on behalf of the Purchaser is duly authorized to do so on the Purchaser's behalf.

IN WITNESS WHEREOF, the Purchaser has executed this Investor Letter as of the date set forth below.

[Purchaser signature block to come]

IRREVOCABLE REFUNDING INSTRUCTIONS

These IRREVOCABLE REFUNDING INSTRUCTIONS (these “Instructions”) are dated April 14, 2022 and are given by the CITY OF MENLO PARK, a municipal corporation and general law city organized and existing under the laws of the State of California (the “City”), to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, acting as paying agent for the 2012 Bonds (hereinafter referred to as the “2012 Paying Agent”);

R E C I T A L S :

1. At an election held on November 6, 2001, the City of Menlo Park (the “City”) submitted the following proposition to the registered voters of the City:

“To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided, that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?”

2. At least two-thirds of the votes cast on the proposition at the election were in favor.

3. Pursuant to such authorization and Resolution No. 6044 (the “2012 Bond Resolution”), the City has previously issued the 2012 General Obligation Refunding Bonds (the “2012 Bonds”).

4. The 2012 Bonds were issued under a Paying Agent Agreement, dated as of January 18, 2012 (the “2012 Paying Agent Agreement”), by and between the City and The Bank of New York Mellon Trust Company, N.A. (the “2012 Paying Agent”).

5. The 2012 Bonds are owned by Capital One Public Funding, LLC (“Capital One”);
and

6. Capital One has agreed that the City may redeem the 2012 Bonds in whole on April 14, 2022, at a redemption price equal to the outstanding principal amount of the 2012 Bonds, plus interest accrued to the redemption date, without premium, and that the redemption provisions and redemption price set forth herein are acceptable to Capital One.

7. In order to realize debt service savings for the benefit of the taxpayers of the City, the City Council adopted its Resolution No. ____ on April 12, 2022 (the “2022 Bond Resolution”) to authorize the issuance and sale of its City of Menlo Park 2022 General Obligation Refunding Bonds (2001 Election) (the “Refunding Bonds”) for the purpose of refinancing the 2012 Bonds. The City is issuing the Refunding Bonds on the date hereof pursuant to a Paying Agent Agreement, dated as of April 1, 2022 (the “2022 Paying Agent Agreement”).

8. The 2012 Paying Agent acts as paying agent for the 2012 Bonds and as paying agent for the Refunding Bonds.

9. The City wishes to give these Instructions to the 2012 Paying Agent for the purpose of providing the terms and conditions relating to the deposit and application of moneys to provide for the redemption of the 2012 Bonds.

NOW, THEREFORE, the City hereby irrevocably instructs the 2012 Paying Agent as follows:

Section 1. Transfer to 2012 Paying Agent; Investment of Amounts. Concurrently with delivery of the Refunding Bonds, the City shall cause Capital One to transfer \$_____ of the proceeds of the Refunding Bonds to the 2012 Paying Agent for deposit into the Debt Service Fund established and held by the 2012 Paying Agent pursuant to Section 4.01 of the 2012 Paying Agent Agreement. As of the date hereof, the 2012 Paying Agent has on deposit \$_____ in the Debt Service Fund. Following the deposit described in the first sentence of this Section 1, the total amount in the Debt Service Fund shall be \$_____, which shall be equal to the redemption price of the 2012 Bonds, representing (i) the outstanding principal amount of the 2012 Bonds (\$_____) and interest accrued to April 14, 2022 (\$_____).

The 2012 Paying Agent shall hold all such amounts in the Debt Service Fund uninvested.

Section 2. Proceedings for Redemption of 2012 Bonds. The City hereby irrevocably elects, and directs the 2012 Paying Agent, to redeem, on April 14, 2022, the outstanding 2012 Bonds. Capital One has waived all redemption notices and defeasance notices required by the 2012 Paying Agent Agreement.

Section 3. Application of Funds to Redeem 2012 Bonds. The 2012 Paying Agent shall apply the amounts deposited into the Debt Service Fund pursuant to Section 1 to redeem the 2012 Bonds on April 14, 2022, at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon, without premium.

Section 4. Amendment. These Instructions shall be irrevocable by the City. These Instructions may be amended or supplemented by the City, but only if the City shall file with the 2012 Paying Agent (a) an opinion of nationally recognized bond counsel engaged by the City stating that such amendment or supplement will not, of itself, adversely affect the exclusion from gross income of interest on the 2012 Bonds or the Refunding Bonds under federal income tax law, and (b) a certification of an independent accountant or independent financial adviser engaged by the City stating that such amendment or supplement will not affect the sufficiency of funds invested and held hereunder to make the payments required by Section 3.

Section 5. Concerning the 2012 Paying Agent. The 2012 Paying Agent shall not be liable for any loss from any investment made by it in accordance with the terms of these Instructions.

The 2012 Paying Agent shall not be liable for the recitals or representations contained in these Instructions and shall not be responsible for the sufficiency of amounts described in Section 3 to pay the redemption price of the 2012 Bonds on the date specified in Section 3.

The protections, limitations from liability and indemnities provided to the 2012 Paying Agent under the 2012 Bond Resolution shall be afforded to the 2012 Paying Agent in acting pursuant to these Instructions and such provisions of the 2012 Bond Resolution are incorporated by reference herein.

Section 6. Governing Law. These Instructions shall be construed in accordance with and governed by the Constitution and laws of the State of California.

CITY OF MENLO PARK

By _____
Administrative Services Director

ACKNOWLEDGED AND ACCEPTED:

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**, as 2012 Paying
Agent

By _____
Authorized Representative

CAPITAL ONE PUBLIC FUNDING, LLC

By _____
Authorized Representative

RESOLUTION NO. XXXX**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK
AUTHORIZING THE ISSUANCE AND SALE OF 2022 GENERAL OBLIGATION
BONDS (2001 ELECTION) FOR THE PURPOSE OF FINANCING THE
CONSTRUCTION, ACQUISITION AND IMPROVEMENT OF PARKS AND
RECREATION FACILITIES, AND APPROVING RELATED DOCUMENTS AND
OFFICIAL ACTIONS**

WHEREAS, at an election held on November 6, 2001, the City of Menlo Park (the "City") submitted the following proposition to the registered voters of the City:

To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided, that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?"; and

WHEREAS, at least two-thirds of the votes cast on the proposition at the election were in favor; and

WHEREAS, pursuant to such authorization, the City previously issued the following series of bonds to finance the construction, acquisition, and improvement of parks and recreation facilities:

- (i) \$13,245,000 City of Menlo Park General Obligation Bonds, Series 2002,
- (ii) \$1,080,000 City of Menlo Park General Obligation Bonds Series 2009A, and
- (iii) \$9,360,000 City of Menlo Park General Obligation Bonds Series 2009B (Federally Taxable Build America Bonds); and

WHEREAS, as a result of the issuance of such bonds, there is \$14,315,000 of remaining bonding capacity under the authorization; and

WHEREAS, the City Council wishes at this time to approve the issuance of its City of Menlo Park 2022 General Obligation Bonds (2001 Election) (the "Bonds") in the aggregate principal amount not to exceed \$14,315,000 under the November 6, 2001 authorization, this Resolution and Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Bond Law"); and

WHEREAS, in order to comply with Government Code Section 5852.1, certain information relating to the Bonds is set forth in Exhibit B attached to this Resolution, and such information is hereby disclosed and made public; and

WHEREAS, United States Income Tax Regulations section 1.150-2 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain

procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the City declares its official intent to reimburse the expenditures referenced herein;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park, as follows:

ARTICLE I

DEFINITIONS; AUTHORITY

Section 1.01. Definitions. The terms defined in this Section 1.01, as used and capitalized herein, shall, for all purposes of this Resolution, have the meanings given them below, unless the context clearly requires some other meaning.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, and (b) any other attorney or firm of attorneys nationally recognized for expertise in rendering opinions as to the legality and tax exempt status of securities issued by public entities.

"Bond Law" means Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, as in effect on the date of adoption of this Resolution and as amended from time to time.

"Bond Purchase Agreement" means the bond purchase agreement, dated the date of sale of the Bonds, by and between the Underwriter and the City, pursuant to which the Underwriter agrees to purchase all of the Bonds, subject to the conditions contained in Section 3.01 hereof.

"Bonds" means the City of Menlo Park 2022 General Obligation Bonds (2001 Election) authorized to be issued under this Resolution.

"City" means the City of Menlo Park, a municipal corporation organized under the laws of the State of California, and any successor thereto.

"City Representative" means (i) the City Manager, the Administrative Services Director, the Finance Director and (ii) any other officer of the City authorized by resolution of the City Council of the City or by one of the City Manager, the Administrative Services Director, the Finance Director to act on behalf of the City with respect to this Resolution and the Bonds.

"Closing Date" means the date upon which there is a physical delivery of the Bonds in exchange for the amount representing the purchase price of the Bonds by the Original Purchaser.

"Continuing Disclosure Certificate" means the Continuing Disclosure Certificate which is executed and delivered by the Mayor or the City Manager on the Closing Date.

"Costs of Issuance" means all items of expense directly or indirectly payable by or reimbursable to the City and related to the authorization, issuance, sale and delivery of the Bonds, including but not limited to the costs of preparation and reproduction of documents, printing expenses,

filing and recording fees, initial fees and charges of the Paying Agent and its counsel, fees and charges of Bond Counsel, disclosure counsel and other legal firms, fees and disbursements of consultants and professionals, rating agency fees, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Custody Agreement” means the Costs of Issuance Custody Agreement between the City and the Costs of Issuance Custodian, dated the Closing Date, and providing for payment of the Costs of Issuance.

“Costs of Issuance Custodian” means The Bank of New York Mellon Trust Company, N.A., as custodian under the Costs of Issuance Custody Agreement.

“County” means the County of San Mateo, a political subdivision of the State of California, duly organized and existing under the Constitution and laws of the State of California.

“Debt Service Fund” means the account established and held by the City under Section 4.02.

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.09.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Federal Securities” means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

“Interest Payment Date” means February 1 and August 1 in each year, commencing February 1, 2023, or as otherwise set forth in the Bond Purchase Agreement.

“Original Purchaser” means the Underwriter or such other initial purchaser pursuant to Section 3.01(f).

“Outstanding,” when used as of any particular time with reference to Bonds, means all Bonds except: (a) Bonds theretofore canceled by the Paying Agent or surrendered to the Paying Agent for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.02; and (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the City under this Resolution.

“Owner”, whenever used herein with respect to a Bond, means the person in whose name the ownership of such Bond is registered on the Registration Books.

“Paying Agent” means the Paying Agent appointed by the City and acting as paying agent, registrar and authenticating agent for the Bonds, its successors and assigns, and any other

corporation or association which may at any time be substituted in its place, as provided in Section 6.01.

“Principal Office” means the office or offices of the Paying Agent for the payment of the Bonds and the administration of its duties hereunder, as such office or offices shall be identified in a written notice filed with the City by the Paying Agent, provided, however, solely for the purposes of the presentation and surrender of the Bonds for payment, transfer or exchange, the Principal Office of the Paying Agent shall be the designated corporate trust agency or operations office of the Paying Agent.

“Project Fund Custody Agreement” means the Project Fund Custody Agreement between the City and the Project Fund Custodian, dated the Closing Date, and providing for payment the costs of acquiring, constructing and improving parks and recreation facilities authorized under the November 6, 2001 authorization.

“Project Fund Custodian” means The Bank of New York Mellon Trust Company, N.A., as custodian under the Project Fund Custody Agreement.

“Record Date” means the 15th day of the month preceding an Interest Payment Date, whether or not such day is a business day.

“Registration Books” means the records maintained by the Paying Agent for the registration of ownership and registration of transfer of the Bonds under Section 2.08.

“Resolution” means this Resolution, as originally adopted by the City Council on April 12, 2022, and including all amendments hereto and supplements hereof which are duly adopted by the City Council from time to time in accordance herewith.

“Securities Depositories” means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in a Written Request of the City delivered to the Paying Agent.

“Supplemental Resolution” means any resolution supplemental to or amendatory of this Resolution, adopted by the City in accordance with Article VIII.

“Tax Code” means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

“Underwriter” the purchaser of the Bonds pursuant to the Bond Purchase Agreement.

“Written Request of the City” means an instrument in writing signed by a City Representative or by any other officer of the City duly authorized to act on behalf of the City under a written certificate of a City Representative.

Section 1.02. Interpretation.

- (a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is

for convenience only and shall be deemed to include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to “Articles,” “Sections” and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Resolution; unless the context clearly indicates otherwise, the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this Resolution as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03. Authority for this Resolution; Findings. This Resolution is entered into under the provisions of the Bond Law. It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of the Bonds do exist, have happened or have been performed in due and regular time and manner as required by the laws of the State of California, and that the amount of the Bonds, together with all other indebtedness of the City, does not exceed any limit prescribed by any laws of the State of California.

Section 1.04. Declaration of Intent to Reimburse Expenditures. The City intends to issue the Bonds for the purpose of paying the costs of constructing, acquiring or improving the parks and recreation facilities authorized under the November 6, 2001 authorization. The City hereby declares that it reasonably expects (i) to pay certain costs of such parks and recreation facilities prior to the date of issuance of the Bonds and (ii) to use a portion of the proceeds of the Bonds for reimbursement of expenditures for such parks and recreation facilities that are paid before the date of issuance of the Bonds.

ARTICLE II

THE BONDS

Section 2.01. Authorization. The City Council hereby authorizes and finds that it is required in the prudent management of the fiscal affairs of the City to provide for the issuance of the Bonds under and subject to the terms of the Bond Law and this Resolution, for the purpose of financing the construction, acquisition, and improvement of authorized parks and recreation facilities under the November 6, 2001 authorization, Bonds and to pay the Costs of Issuance incurred in connection therewith. This Resolution constitutes a continuing agreement between the City and the Owners of all of the Bonds issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal of and interest and premium, if any, on all Bonds which may be Outstanding hereunder, subject to the covenants, agreements, provisions and conditions herein contained.

The Bonds are designated the “City of Menlo Park 2022 General Obligation Bonds (2001 Election).” The Bonds may be sold in one or more series, as federally taxable bonds or federally tax-exempt bonds and with such series designations as directed by a City Representative.

In accordance with the November 6, 2001 authorization, the Bonds shall not be issued unless the City determines that, as of the date of issuance of the Bonds and based on the fiscal year 2021-22 assessed valuation of taxable property in the City, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per

\$100,000 in assessed valuation. Before issuing the Bonds, the City shall receive confirmation from its municipal advisor that such requirement has been satisfied.

Section 2.02. Terms of Bonds.

- (a) Principal Amount of Bonds. The Bonds are authorized to be issued in an aggregate principal amount not to exceed \$14,315,000.
- (b) Form; Numbering. The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$5,000 each or any integral multiple thereof. The Bonds will be lettered and numbered as the Paying Agent prescribes.
- (c) Date of Bonds. The Bonds will be dated as of the Closing Date.
- (d) CUSIP Identification Numbers. "CUSIP" identification numbers will be imprinted on the Bonds, but such numbers do not constitute a part of the contract evidenced by the Bonds and no error or omission with respect thereto will constitute cause for refusal of the Underwriter to accept delivery of and pay for the Bonds. In addition, failure on the part of the City to use such CUSIP numbers in any notice to Owners of the Bonds will not constitute an event of default or any violation of the City's contract with such Owners and will not impair the effectiveness of any such notice.
- (e) Maturities; Basis of Interest Calculation. The Bonds shall mature (or, alternatively, be subject to mandatory sinking fund redemption as hereinafter provided) on August 1 in the years and in the amounts, and shall bear interest at the rates, as determined upon the sale thereof. The final maturity of the Bonds shall be not later than 40 years from the Closing Date. Interest on the Bonds shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Each Bond shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless (i) it is authenticated as of an Interest Payment Date, in which event it shall bear interest from such date, or (ii) it is authenticated prior to an Interest Payment Date and after the close of business on the preceding Record Date, in which event it shall bear interest from such Interest Payment Date, or (iii) it is authenticated on or before the first Record Date, in which event it shall bear interest from the Closing Date; *provided, however*, that if at the time of authentication of a Bond, interest is in default thereon, such Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

- (f) Manner of Payment. Interest on the Bonds (including the final interest payment upon maturity or earlier redemption) is payable by check of the Paying Agent mailed to the Owner thereof at such Owner's address as it appears on the Registration Books at the close of business on the preceding Record Date; except that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Bonds shall be paid by wire transfer on the succeeding Interest Payment Date to an account in the United States of America as shall be specified in such written request. Principal of and premium (if any) on the Bonds is payable in lawful money of the United States of America upon presentation and surrender at the Principal Office of the Paying Agent.

Section 2.03. Redemption.

- (a) Optional Redemption. The Bonds are subject to redemption prior to maturity, at the option of the City, in whole or in part among maturities on such basis as designated by the City and by lot within a maturity, from any available source of funds, on the dates and at the respective redemption prices as set forth in the Bond Purchase Agreement.
- (b) Mandatory Sinking Fund Redemption. If the Bond Purchase Agreement specifies that any one or more maturities of the Bonds are term bonds which are subject to mandatory sinking fund redemption, each such maturity of Bonds shall be subject to such mandatory sinking fund redemption on August 1 in each of the years and in the respective principal amounts as set forth in the Bond Purchase Agreement, at a redemption price equal to 100% of the principal amount thereof to be redeemed, together with interest accrued thereon to the date fixed for redemption, plus premium, if any. If any such term bonds are redeemed under the provisions of the preceding clause (a), the total amount of all future payments under this subsection (b) with respect to such term bonds shall be reduced by the aggregate principal amount of such term bonds so redeemed, to be allocated among such payments as determined by the City (written notice of which determination shall be given by the City to the Paying Agent).
- (c) Selection of Bonds for Redemption. Whenever less than all of the Outstanding Bonds of any one maturity are designated for redemption, the Paying Agent shall select the Outstanding Bonds of such maturity to be redeemed by lot in any manner deemed fair by the Paying Agent. For purposes of such selection, each Bond will be deemed to consist of individual Bonds of \$5,000 denominations each, which may be separately redeemed.
- (d) Redemption Procedure. The Paying Agent will cause notice of any redemption to be (i) posted on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website and (ii) mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Registration Books. Such mailing is not a condition precedent to such redemption and the failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Bonds. In addition, the Paying Agent will give notice of redemption by telecopy or certified, registered or overnight mail to each of the Securities Depositories at least two days prior to such mailing to the Bond Owners. The sole remedy for the Paying Agent's failure to post such notice on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access website shall be an action by the holders of the Bonds in mandamus for specific performance or a similar remedy to compel performance.

Such notice must state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, shall designate the serial numbers of the Bonds to be redeemed by giving the individual number of each Bond or by stating that all Bonds between two stated numbers, both inclusive, or by stating that all of the Bonds of one or more maturities have been called for redemption, and shall require that such Bonds be then surrendered at the Principal Office of the Paying Agent for redemption at the said redemption

price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

Upon surrender of Bonds redeemed in part only, the City shall execute and the Paying Agent shall authenticate and deliver to the Owner, at the expense of the City, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, the Bonds called for redemption will cease to be entitled to any benefit under this Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in the notice. The Paying Agent will cancel all Bonds redeemed under this Section 2.03 and will furnish a certificate of cancellation to the City.

- (e) Conditional Redemption Notice: Right to Rescind Notice of Optional Redemption. The City may send a conditional redemption notice that provides that redemption is subject to the availability of sufficient funds on the proposed redemption date. The City has the right to rescind any notice of the optional redemption of Bonds by written notice to the Paying Agent on or before the date fixed for redemption. Any notice of optional redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute a default hereunder. The City and the Paying Agent have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under subsection (d) of this Section.

Section 2.04. Form of Bonds. The form of the Bonds, including the form of the Paying Agent's Certificate of Authentication and the form of Assignment to appear thereon, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Resolution, are set forth in Exhibit A attached hereto.

Section 2.05. Execution of Bonds. The Bonds shall be executed on behalf of the City by the original or facsimile signatures of its Mayor and City Clerk who are in office on the date of adoption of this Resolution or at any time thereafter. If any officer whose signature appears on any Bond ceases to be such officer before delivery of the Bonds to the Original Purchaser, such signature will nevertheless be as effective as if the officer had remained in office until the delivery of the Bonds to the Original Purchaser. Any Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of such Bond are the proper officers of the City although at the nominal date of such Bond any such person does not serve as such officer of the City.

Only those Bonds bearing a Certificate of Authentication in the form set forth in Exhibit A attached hereto, executed and dated by the Paying Agent, will be valid or obligatory for any purpose or entitled to the benefits of this Resolution, and such Certificate of Authentication of the Paying Agent constitutes conclusive evidence that the Bonds so registered have been duly authenticated, registered and delivered hereunder and are entitled to the benefits of this Resolution.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the Principal Office at the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The City may charge a reasonable sum for each new Bond issued upon any transfer.

Whenever any Bond or Bonds are surrendered for transfer, the City shall execute and the Paying Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

No transfers of Bonds shall be required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond which has been selected for redemption.

Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Paying Agent all information necessary to allow the Paying Agent to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Paying Agent shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The City may charge a reasonable sum for each new Bond issued upon any exchange.

No exchange of Bonds is required to be made (a) 15 days prior to the date established by the Paying Agent for selection of Bonds for redemption or (b) with respect to a Bond after it has been selected for redemption.

Section 2.08. Registration Books. The Paying Agent shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the City upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as herein before provided.

Section 2.09. Book-Entry System. Except as provided below, DTC will be the Owner of all of the Bonds, and the Bonds will be registered in the name of Cede & Co. as nominee for DTC. The Bonds shall be initially executed and delivered in the form of a single fully registered Bond for each maturity date of the Bonds in the full aggregate principal amount of the Bonds maturing on such date. The Paying Agent and the City may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for all purposes of this Resolution, and neither the Paying Agent nor the City shall be affected by any notice to the contrary. The Paying Agent and the City shall not have any responsibility or obligation to any Depository System Participant, any person claiming a beneficial ownership interest in the Bonds under or through DTC or a Depository System Participant, or any other person which is not shown on the register of the City as being an owner, with respect to the accuracy of any records maintained by DTC or any Depository System Participant or the payment by DTC or any Depository System Participant by DTC or any Depository System Participant of any amount in respect of the

principal or interest with respect to the Bonds. The City shall cause to be paid all principal and interest with respect to the Bonds only to DTC, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to the principal and interest with respect to the Bonds to the extent of the sum or sums so paid. Except under the conditions noted below, no person other than DTC shall receive a Bond. Upon delivery by DTC to the City of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the term "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

If the City determines that it is in the best interest of the beneficial owners that they be able to obtain Bonds and delivers a written certificate to DTC and the City to that effect, DTC shall notify the Depository System Participants of the availability through DTC of Bonds. In such event, the City shall issue, transfer and exchange Bonds as requested by DTC and any other owners in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City shall be obligated to deliver Bonds as described in this Resolution. Whenever DTC requests the City to do so, the City will cooperate with DTC in taking appropriate action after reasonable notice to (a) make available one or more separate Bonds evidencing the Bonds to any Depository System Participant having Bonds credited to its DTC account or (b) arrange for another securities depository to maintain custody of certificates evidencing the Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and interest with respect to such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided as in the representation letter delivered on the date of issuance of the Bonds.

ARTICLE III

SALE OF BONDS; APPLICATION OF PROCEEDS

Section 3.01. Sale of Bonds; Approval of Sale Documents.

- (a) Authority for the Bonds; Terms of the Bonds. The City Council hereby approves the sale of the Bonds to the Underwriter pursuant to the terms of a Bond Purchase Agreement, between the Underwriter and the City, and dated the date of sale of the Bonds (the "Bond Purchase Agreement"), so long as (i) the principal amount of the Bonds does not exceed \$14,315,000, (ii) the true interest cost does not exceed 6.0%, (iii) the Underwriter's discount on the Bonds (without regard to an original issue discount, if any) does not exceed 0.60% and (iv) the condition set forth in the final paragraph of Section 2.01 is satisfied. The City Council hereby approves the Bond Purchase Agreement in substantially the form on file with the City Clerk, together with any changes therein or modifications thereof which are approved by the Mayor or the City Manager, and the execution thereof by the Mayor or City Manager will be conclusive evidence of the approval of any such changes or modifications.

Each of the City Manager and the Mayor is hereby authorized and directed to execute the Bond Purchase Agreement, so long as the limitations contained herein are reflected in the Bond Purchase Agreement.

The Bond Purchase Agreement shall recite the aggregate principal amount of the Bonds, the date thereof, the maturity dates, principal amounts and annual rates of interest of each maturity thereof, the initial and semiannual interest payment dates thereof, and the terms of optional and mandatory sinking fund redemption thereof, if any.

- (b) Reasons for a Negotiated Sale. In accordance with Section 53508.7 of the Bond Law, the City Council has determined to sell the Bonds at negotiated sale for the following reasons: (i) a negotiated sale provides more flexibility to choose the time and date of the sale which is advantageous in a volatile municipal bond market, and (ii) a negotiated sale will permit the time schedule for the issuance and sale of the Bonds to be expedited
- (c) Bond Insurance. A City Representative is hereby authorized to solicit proposals from municipal bond insurers, and, if such officer determines it is in the best interest of the City, to arrange for the issuance of a policy of municipal bond insurance for one or more maturities of the Bonds and to execute and deliver an insurance commitment and all other documents necessary in connection therewith.
- (d) Sale Documentation to be Controlling. Notwithstanding the foregoing provisions of this Resolution, any of the terms of the Bonds may be established or modified by the final form of the Bond Purchase Agreement, and in the event of a conflict or inconsistency between this Resolution and the Bond Purchase Agreement relating to the terms of the Bonds, the provisions of the Bond Purchase Agreement shall be controlling. In the event of a conflict or inconsistency between the Bond Purchase Agreement and the executed Bonds, the provisions of the Bond Purchase Agreement shall govern.
- (e) Official Statement. The City Council hereby approves and deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the preliminary Official Statement describing the Bonds in the form on file with the Clerk of the City Council. A City Representative is hereby individually authorized, at the request of the Underwriter, to execute an appropriate certificate affirming the City Council's determination that the preliminary Official Statement has been deemed final within the meaning of such Rule. Distribution of the preliminary Official Statement by the City's financial advisor to prospective bidders on the Bonds is hereby approved. A City Representative is hereby individually authorized and directed to approve any changes in or additions to a final form of the Official Statement, and the execution thereof by such City Representative shall be conclusive evidence of approval of any such changes and additions. The City Council hereby authorizes the distribution of the final Official Statement by the Underwriter. A City Representative shall execute the final Official Statement in the name and on behalf of the City.
- (f) Alternative Method of Negotiated Sale. If the City Manager or the Administrative Services Director, after consultation with the City's municipal advisor and bond counsel, concludes that it is not in the best interests of the City to sell the Bonds in a public offering as described in the preceding provisions of this Section 3.01 and that the best interests of the City would be furthered by a private placement sale of the

Bonds to a limited number of financial institutions, then the City Manager or Administrative Services Director may select one or more financial institutions in accordance with a procedure recommended by the City's municipal advisor. In such event, the terms of the Bonds may be established or modified by the final form of the documents for such private placement, which may include a bond purchase agreement or a paying agreement, and in the event of a conflict or inconsistency between this Resolution and such agreement, then the bond purchase agreement or paying agent agreement shall be controlling. In the event of a conflict or inconsistency between the bond purchase agreement or paying agent agreement and the executed Bonds, the provisions of the bond purchase agreement or paying agent agreement shall govern. Each of the City Manager and the Mayor is hereby authorized and directed to execute such bond purchase agreement or paying agent agreement.

Section 3.02. Application of Proceeds of Sale of Bonds. The proceeds of the Bonds shall be applied by the Original Purchaser on the Closing Date in accordance with a Written Request of the City, as follows:

- (a) The Original Purchaser shall transfer a portion of the proceeds of the Bonds to the Cost of Issuance Custodian, for application as set forth in Section 3.04.
- (b) After making the transfer described in the preceding clause (a), the Original Purchaser shall transfer any remaining premium to the City for deposit in the Debt Service Fund.
- (c) The Original Purchaser shall cause the remainder of such proceeds to be deposited in the Project Fund.

Section 3.03. Project Fund. The City Council hereby establishes a special fund to be held by the City separate and apart from all other funds of the City, to be known as the Project Fund. The proceeds from the sale of the Bonds, to the extent required under Section 3.02, shall be deposited by the City in the Project Fund, and shall be expended by the City solely for the payment of (a) Costs of Issuance of the Bonds to the extent not paid as set forth in Section 3.04, and (b) costs of acquisition or improvement of real property for which the Bond proceeds are authorized to be expended under the November 6, 2001 authorization. All interest and other gain arising from the investment of amounts deposited to the Project Fund shall be retained in the Project Fund and used for the purposes thereof. Any amounts remaining on deposit in the Project Fund and not needed for the purposes thereof shall be withdrawn from the Project Fund and transferred to the Debt Service Fund, to be applied to pay the principal of and interest and premium (if any) on the Bonds.

The Project Fund may be held by the Project Fund Custodian under the Project Fund Custody Agreement approved by this Resolution.

Section 3.04. Payment of Costs of Issuance. The City shall pay the Costs of Issuance from original issue premium received from the Original Purchaser and deposited with the Costs of Issuance Custodian pursuant to the Costs of Issuance Custody Agreement. Any amounts received by the City for payment of Costs of Issuance that are not required for payment of Costs of Issuance shall be deposited into the Debt Service Fund, to be applied to pay interest next coming due and payable on the Bonds.

The City Council hereby approves the Costs of Issuance Custody Agreement in substantially the form on file with the City Clerk, together with any changes therein or modifications thereof which are approved by the Mayor or the City Manager, and the execution thereof by the Mayor or City Manager will be conclusive evidence of the approval of any such changes or modifications. The Mayor or the City Manager is directed to authenticate and execute the final form of the Costs of Issuance Custody Agreement on behalf of the City, and to deliver the executed Costs of Issuance Custody Agreement on the Closing Date.

Section 3.05. Presentation of Actual Cost Information at City Council Meeting; Report to California Debt and Investment Advisory Commission. As required by Government Code Section 53509.5, after the sale of the Bonds, the City Council shall present actual cost information for the sale at its next scheduled public meeting. In addition, Bond Counsel is authorized to submit an itemized summary of the costs of the Bond sale to the California Debt and Investment Advisory Commission.

ARTICLE IV

SECURITY FOR THE BONDS; PAYMENT OF DEBT SERVICE

Section 4.01. Security for the Bonds. The Bonds are general obligations of the City, and the City Council has the power to direct the County to levy *ad valorem* taxes upon all property within the City subject to taxation without limitation of rate or amount, for the payment of the Bonds and the interest thereon, in accordance with Section 43632 of the Government Code. The City hereby directs the County to levy on all the taxable property in the City, in addition to all other taxes, a continuing direct and *ad valorem* tax annually during the period the Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, including the principal of any Bonds upon the mandatory sinking fund redemption thereof under Section 2.03(b), which moneys when collected will be deposited in the Debt Service Fund.

Amounts in the General Fund of the City are not pledged to the payment of the Bonds. However, nothing herein limits the ability of the City to provide for payment of the principal of and interest and redemption premium (if any) on the Bonds from any source of legally available funds of the City. Any amounts so advanced by the City from legally available funds may be reimbursed from *ad valorem* property taxes described in the previous paragraph subsequently collected for the payment of the Bonds.

The principal of and interest and redemption premium (if any) on the Bonds do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the City, or any of the officers, agents or employees thereof, and neither the County, the State of California, any of its political subdivisions nor any of the officers, agents or employees thereof shall be liable thereon.

Section 4.02. Debt Service Fund. The City Council hereby establishes a special fund to be held by the City separate and apart from all other funds of the City, to be known as the "2022 General Obligation Bonds (2001 Election) Debt Service Fund". All taxes levied by the County, as directed by the City, for the payment of the principal of and interest and premium (if any) on the Bonds shall be deposited in the Debt Service Fund by the City promptly upon the receipt thereof from the County. The Debt Service Fund is hereby pledged for the payment of the principal of and interest on the Bonds when and as the same become due. The City shall transfer amounts in the Debt Service Fund, to the extent necessary to pay the principal of and

interest on the Bonds as the same become due and payable, to the Paying Agent. Alternatively, the City may direct the County to transfer such taxes, in whole or in part, directly to the Paying Agent for the purpose of making payments of principal of and interest on the Bonds.

If, after payment in full of the Bonds, any amounts remain on deposit in the Debt Service Fund, the City shall transfer such amounts to its General Fund, to be applied solely in a manner which is consistent with the requirements of applicable state and federal tax law.

Section 4.03. Investments. The City shall invest all moneys held in any of the funds or accounts established with it hereunder in accordance with the investment policies of the City, as such policies shall exist at the time of investment, and in accordance with Section 53601 of the California Government Code. Obligations purchased as an investment of moneys in any fund or account shall be deemed to be part of such fund or account.

All interest or gain derived from the investment of amounts in any of the funds or accounts established hereunder shall be deposited in the fund or account from which such investment was made, and shall be expended for the purposes thereof. The City covenants that all investments of amounts deposited in any fund or account created by or under this Resolution, or otherwise containing proceeds of the Bonds, shall be acquired and disposed of at the Fair Market Value thereof. For purposes of this Section 4.03, the term "Fair Market Value" shall mean, with respect to any investment, the price at which a willing buyer would purchase such investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as described above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, or (iii) the investment is a United States Treasury Security - State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

ARTICLE V

OTHER COVENANTS OF THE CITY

Section 5.01. Punctual Payment. The City shall punctually pay, or cause to be paid, the principal of and interest on the Bonds, in strict conformity with the terms of the Bonds and of this Resolution, and shall faithfully observe and perform all of the conditions, covenants and requirements of this Resolution and of the Bonds. Nothing herein contained prevents the City from making advances of its own moneys howsoever derived to any of the uses or purposes permitted by law.

Section 5.02. Extension of Time for Payment. In order to prevent any accumulation of claims for interest after maturity, the City will not, directly or indirectly, extend or consent to the extension of the time for the payment of any claim for interest on any of the Bonds and will not, directly or indirectly, approve any such arrangement by purchasing or funding said claims for interest or in any other manner.

Section 5.03. Books and Accounts; Financial Statements. The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City in which complete and correct entries are made of all transactions relating to the Bonds. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Paying Agent and the Owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

Section 5.04. Protection of Security and Rights of Bond Owners. The City will preserve and protect the security of the Bonds and the rights of the Bond Owners, and will warrant and defend their rights against all claims and demands of all persons. From and after the sale and delivery of any of the Bonds by the City, the City may not contest the authorization, issuance, sale or repayment of the Bonds.

Section 5.05. Tax Covenants Relating to the Bonds. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the Owners of the Bonds to the same extent as such interest is permitted to be excluded from gross income under the Tax Code as in effect on the Closing Date. To that end, and without limiting the generality of the foregoing covenant, the City hereby covenants with the Owners of the Bonds as follows:

- (a) Private Activity Bond Limitation. The proceeds of the Bonds shall not be so used as to cause the Bonds to satisfy the private business tests of Section 141(b) of the Tax Code or the private loan financing test of Section 141(c) of the Tax Code.
- (b) Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.
- (c) No Arbitrage. The City shall not take, or permit or suffer to be taken by the Paying Agent or otherwise, any action with respect to the Bond proceeds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Tax Code.
- (d) Rebate of Excess Investment Earnings. The City shall calculate or cause to be calculated all amounts of excess investment earnings with respect to the Bonds which are required to be rebated to the United States of America under Section 148(f) of the Tax Code, at the times and in the manner required under the Tax Code. The City shall pay or cause to be paid when due an amount equal to excess investment earnings to the United States of America in such amounts, at such times and in such manner as may be required under the Tax Code, such payments to be made from any source of legally available funds of the City. The City shall keep or cause to be kept, and retain or cause to be retained for a period of 6 years following the retirement of the Bonds, records of the determinations made under this subsection (d).
- (e) Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest on the Bonds from the gross income of the owners of the Bonds to the same extent as such interest is permitted to be

excluded from gross income under the Tax Code as in effect on the date of issuance of the Bonds.

- (f) Record Retention. The City will retain its records of all accounting and monitoring it carries out with respect to the Bonds for at least 3 years after the Bonds mature or are redeemed (whichever is earlier); however, if the Bonds are redeemed and refunded, the Issuer will retain its records of accounting and monitoring at least 3 years after the earlier of the maturity or redemption of the obligations that refunded the Bonds.
- (g) Compliance with Tax Certificate. The City will comply with the provisions of the Tax Certificate and the Certificate Regarding Use of Proceeds with respect to the Bonds, which are incorporated herein as if fully set forth herein. The covenants of this Section will survive payment in full or defeasance of the Bonds.

Section 5.06. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, which the Mayor or the City Manager is hereby authorized and directed to execute and deliver on the Closing Date. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate will not be considered a default by the City hereunder or under the Bonds; however, any Participating Underwriter (as such term is defined in the Continuing Disclosure Certificate) or any holder or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 5.07. Further Assurances. The City will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution, and for the better assuring and confirming unto the Owners of the Bonds of the rights and benefits provided in this Resolution.

ARTICLE VI

THE PAYING AGENT

Section 6.01. Appointment of Paying Agent. The Bank of New York Mellon Trust Company, N.A. is hereby appointed to act as Paying Agent for the Bonds. The Paying Agent undertakes to perform such duties, and only such duties, as are specifically set forth in this Resolution, and even during the continuance of an event of default with respect to the Bonds, no implied covenants or obligations shall be read into this Resolution against the Paying Agent. The Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by this Resolution by executing and delivering to the City a certificate to that effect.

The City Council hereby authorizes the Mayor or the City Manager to execute on behalf of the City a Paying Agency Agreement with The Bank of New York Mellon Trust Company, N.A. in substantially the form on file with the City Clerk. As provided in said agreement, The Bank of New York Mellon Trust Company, N.A. will act as Paying Agent as described in this Resolution.

The City may remove the Paying Agent initially appointed, and any successor thereto, and may appoint a successor or successors thereto, but any such successor shall be a bank or trust company doing business and having an office in the State of California, having a combined capital (exclusive of borrowed capital) and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, under law or under the requirements of any supervising or examining authority above referred to, then for the purposes of this Section 6.01 the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Paying Agent may at any time resign by giving written notice to the City and the Bond Owners of such resignation. Upon receiving notice of such resignation, the City shall promptly appoint a successor Paying Agent by an instrument in writing. Any resignation or removal of the Paying Agent and appointment of a successor Paying Agent becomes effective upon acceptance of appointment by the successor Paying Agent.

Section 6.02. Paying Agent May Hold Bonds. The Paying Agent may become the Owner of any of the Bonds in its own or any other capacity with the same rights it would have if it were not Paying Agent.

Section 6.03. Liability of Paying Agent. The recitals of facts, covenants and agreements herein and in the Bonds contained shall be taken as statements, covenants and agreements of the City, and the Paying Agent assumes no responsibility for the correctness of the same, nor makes any representations as to the validity or sufficiency of this Resolution or of the Bonds, nor shall incur any responsibility in respect thereof, other than as set forth in this Resolution. The Paying Agent is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful default.

In the absence of bad faith, the Paying Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Paying Agent and conforming to the requirements of this Resolution.

No provision of this Resolution requires the Paying Agent to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

The Paying Agent may execute any of the powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Paying Agent shall be responsible for any misconduct or negligence on the part of any agent or attorney appointed by it hereunder.

Section 6.04. Notice to Paying Agent. The Paying Agent may rely and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The Paying Agent may consult with counsel, who may be of counsel to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Resolution the Paying Agent deems it necessary or desirable that a matter be proved or established prior to taking or suffering any

action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate of the City, and such certificate will be full warrant to the Paying Agent for any action taken or suffered under the provisions of this Resolution upon the faith thereof, but in its discretion the Paying Agent may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 6.05. Compensation; Indemnification. The City will pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of their attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Resolution. The City further agrees to indemnify the Paying Agent against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or bad faith.

Section 6.06. Furnishing of Statements. The Paying Agent shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Paying Agent or brokers selected by the City. Upon the City's election, such statements will be delivered via the Paying Agent's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Paying Agent as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Paying Agent will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

ARTICLE VII

REMEDIES OF BOND OWNERS

Section 7.01. Remedies of Bond Owners. Upon the happening and continuation of any default by the City hereunder or under the Bonds, any Bond Owner has the right, for the equal benefit and protection of all Bond Owners similarly situated:

- (a) by mandamus, suit, action or proceeding, to compel the City and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Resolution and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the City and the fulfillment of all duties imposed upon it;
- (b) by suit, action or proceeding in equity, to enjoin any acts or things which are unlawful, or the violation of any of the Bond Owners' rights; or
- (c) by suit, action or proceeding in any court of competent jurisdiction, to require the City and its members and employees to account as if it and they were the trustees of an express trust.

Section 7.02. Remedies Not Exclusive. No remedy herein conferred upon the Owners of Bonds is exclusive of any other remedy. Each remedy is cumulative and shall be in addition to every other remedy given hereunder or thereafter conferred on the Bond Owners.

ARTICLE VIII

AMENDMENT OF THIS RESOLUTION

Section 8.01. Amendments Effective Without Consent of the Owners. For any one or more of the following purposes and at any time or from time to time, the City Council may by Supplemental Resolution amend this Resolution in whole or in part, without the consent of any of the Bond Owners:

- (a) to add to the covenants and agreements of the City in this Resolution, other covenants and agreements to be observed by the City which are not contrary to or inconsistent with this Resolution as theretofore in effect;
- (b) to confirm, as further assurance, any pledge under, and to subject to any lien or pledge created or to be created by, this Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under this Resolution;
- (c) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Resolution, which in any event does not materially adversely affect the interests of the Bond Owners, in the opinion of Bond Counsel filed with the City; or
- (d) to make such additions, deletions or modifications as may be necessary to assure compliance with the applicable provisions of the Tax Code relating to the rebate of excess investment earnings to the United States or otherwise as may be necessary to assure that the interest on the Bonds remains excludable from gross income of the Owners thereof for federal income tax purposes, in the opinion of Bond Counsel filed with the City.

Section 8.02. Amendments Effective with Consent to the Owners. Any modification or amendment of this Resolution and of the rights and obligations of the City and of the Owners of the Bonds, in any particular, may be made by a Supplemental Resolution, with the written consent of the Owners of a majority in aggregate principal amount of the Bonds Outstanding at the time such consent is given. Without the consent of the Owners of all affected Bonds, no such modification or amendment may (a) change the maturity of the principal of any Bonds or any interest payable thereon, (b) reduce the principal amount of the Bonds or the rate of interest thereon, (c) reduce the percentage of Bonds the consent of the Owners of which is required to effect any such modification or amendment, (d) change any of the provisions in Section 7.01 relating to a default by the City hereunder or under the Bonds, (e) reduce the amount of moneys pledged for the repayment of the Bonds. Without the consent of the Paying Agent, no such modification or amendment may change or modify any of the rights or obligations of the Paying Agent.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits of Resolution Limited to Parties. Nothing in this Resolution, expressed or implied, is intended to give to any person other than the City, the Paying Agent, the Owners of the Bonds and any bond insurer which insures all or a portion of the Bonds, any right, remedy, claim under or by reason of this Resolution. Any covenants, stipulations, promises or agreements in this Resolution contained by and on behalf of the City shall be for the sole and exclusive benefit of the Owners of the Bonds.

Section 9.02. Defeasance.

- (a) Discharge of Resolution. Bonds may be paid by the City, in whole or in part, in any of the following ways provided that the City also pays or causes to be paid any other sums payable hereunder by the City:
- (i) by paying or causing to be paid the principal of and interest or redemption price on such Bonds, as and when the same become due and payable;
 - (ii) by irrevocably depositing, in trust, at or before maturity, money or securities in the necessary amount to pay such Bonds as provided in Section 9.02(c); or
 - (iii) by delivering such Bonds to the Paying Agent for cancellation by it.

If the City pays all Outstanding Bonds and also pays or causes to be paid all other sums payable hereunder by the City, then and in that case, at the election of the City (evidenced by a certificate of a City Representative filed with the Paying Agent, signifying the intention of the City to discharge all such indebtedness and this Resolution), and notwithstanding that any Bonds have not been surrendered for payment, this Resolution, all taxes and other assets pledged under this Resolution and all covenants, agreements and other obligations of the City under this Resolution shall cease, terminate, become void and be completely discharged and satisfied, except only as provided in Section 9.02(b). In such event, upon request of the City, the Paying Agent shall cause an accounting for such period or periods as may be requested by the City to be prepared and filed with the City and shall execute and deliver to the City all such instruments as may be necessary to evidence such discharge and satisfaction, and the Paying Agent shall pay over, transfer, assign or deliver to the City all moneys or securities or other property held by it under this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

- (b) Discharge of Liability on Bonds. Upon the deposit, in trust, at or before maturity, of money or securities in the necessary amount to pay any Outstanding Bond Bonds as provided in Section 9.02(c), then all liability of the City in respect of such Bond will cease and be completely discharged, except only that thereafter the Owner thereof is entitled only to payment of the principal of and interest on such Bond by the City, and the City remains liable for such payment, but only out of such money or securities deposited with the Paying Agent as aforesaid for such payment, provided further, however, that the provisions of Section 9.02(d) apply in all events.

The City may at any time surrender to the Paying Agent for cancellation by it any Bonds previously issued and delivered, which the City acquires in any manner whatsoever, and such Bonds, upon such surrender and cancellation, will be deemed paid and retired.

- (c) Deposit of Money or Securities with Paying Agent. Whenever in this Resolution it is provided or permitted that there be deposited with or held in trust by the Paying Agent money or securities in the necessary amount to pay any Bonds, the money or securities so to be deposited or held may include money or securities held by the Paying Agent in the funds and accounts established under this Resolution and must be:
 - (i) lawful money of the United States of America in an amount equal to the principal amount or redemption price of such Bonds and all unpaid interest thereon to maturity or the prior redemption date; or
 - (ii) Federal Securities the principal of and interest on which when due, in the opinion of a certified public accountant delivered to the City, will provide money sufficient to pay the principal of and all unpaid interest to maturity or the prior redemption date on the Bonds to be paid, as such principal and interest or redemption price become due.
- (d) Payment of Bonds After Discharge of Resolution. Notwithstanding any provisions of this Resolution, any moneys held by the Paying Agent in trust for the payment of the principal of, or interest on, or redemption price of, any Bonds and remaining unclaimed for two years after the principal of all of the Bonds has become due and payable, if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Bonds became due and payable, shall, upon request of the City, be repaid to the City free from the trusts created by this Resolution, and all liability of the Paying Agent with respect to such moneys shall thereupon cease. Before the repayment of such moneys to the City as aforesaid, the Paying Agent may (at the cost of the City) first mail to the Owners of all Bonds which have not been paid at the addresses shown on the Registration Books a notice in such form as may be deemed appropriate by the Paying Agent, with respect to the Bonds so payable and not presented and with respect to the provisions relating to the repayment to the City of the moneys held for the payment thereof.

Section 9.03. Execution of Documents and Proof of Ownership. Any request, declaration or other instrument which this Resolution may require or permit to be executed by Owners of Bonds may be in one or more instruments of similar tenor, and shall be executed by such Owners in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Bond Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number and date of holding the same are proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond binds all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Paying Agent in good faith and in accordance therewith.

Section 9.04. Waiver of Personal Liability. No City Council member, officer, agent or employee of the City has any individual or personal liability for the payment of the principal of or interest on the Bonds. Nothing herein contained relieves any City Council member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.05. Destruction of Canceled Bonds. Whenever in this Resolution provision is made for the surrender to the City of any Bonds which have been paid or canceled under the provisions of this Resolution, a certificate of destruction duly executed by the Paying Agent constitutes the equivalent of the surrender of such canceled Bonds and the City is entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.06. Partial Invalidity. If any section, paragraph, sentence, clause or phrase of this Resolution is for any reason held illegal or unenforceable, such holding will not affect the validity of the remaining portions of this Resolution. The City hereby declares that it would have adopted this Resolution and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant hereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses, or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 9.07. Execution of Documents. Each City Representative is authorized and directed in the name and on behalf of the City to make any and all certificates, requisitions, agreements, notices, consents, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate the lawful issuance, sale and delivery of the Bonds. Whenever in this Resolution the Mayor or the City Manager is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of the Mayor or the City Manager by any person designated by the Mayor or the City Manager to act on his or her behalf in the case the Mayor or the City Manager shall be absent or unavailable.

Section 9.08. Approval of Professional Services. The City Council hereby appoints the firm of Urban Futures, Inc. as municipal advisor to the City in connection with the issuance of the Bonds and the Mayor or the City Manager is authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk. The City Council hereby appoints the firm of Jones Hall, A Professional Law Corporation, as Bond Counsel and disclosure counsel to the City in connection with the issuance of the Bonds, and the Mayor or City Manager is authorized to execute an agreement with said firm in substantially the form of the agreement on file with the City Clerk.

Section 9.09. Effective Date of Resolution. This Resolution becomes effective upon the date of its passage and adoption.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twelfth day of April, 2022, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this ___ day of April, 2022.

Judi A. Herren, City Clerk

Exhibits

A. Form of bond

B. Government Code Section 5852.1 Disclosure

FORM OF BOND

REGISTERED BOND NO. _____

\$ _____

**CITY OF MENLO PARK
2022 GENERAL OBLIGATION BOND
(2001 Election)**

INTEREST RATE:	MATURITY DATE:	DATED DATE:	CUSIP
_____ % per annum	August 1, _____		

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

The CITY OF MENLO PARK, a municipal corporation duly organized and existing under the laws of the State of California (the "City"), for value received, hereby promises to pay to the Registered Owner named above, or registered assigns, the Principal Amount set forth above on the Maturity Date set forth above, together with interest thereon at the Interest Rate set forth above, calculated on a 30/360 day basis, until the Principal Amount hereof is paid or provided for, such interest to be paid on February 1 and August 1 of each year, commencing _____, 20____ (the "Interest Payment Dates"). This Bond will bear interest from the Interest Payment Date next preceding the date of authentication hereof, unless (a) it is authenticated as of a business day following the 15th day of the month immediately preceding any Interest Payment Date and on or before such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (b) it is authenticated on or before _____, 20____, in which event it shall bear interest from the Dated Date set forth above.

The principal and redemption premium (if any) of and interest on this Bond are payable in lawful money of the United States of America to the person in whose name this Bond is registered (the "Registered Owner") on the Bond registration books maintained by the Paying Agent, initially The Bank of New York Mellon Trust Company, N.A., Minneapolis, Minnesota. Principal hereof and any redemption premium is payable upon presentation and surrender of this Bond at the principal corporate trust office of the Paying Agent. Interest hereon is payable by check mailed by the Paying Agent on each Interest Payment Date to the Registered Owner of this Bond by first-class mail at the address appearing on the Bond registration books at the close of business on the 15th day of the calendar month next preceding such Interest Payment Date (the "Record Date"); *provided, however*, that at the written request of the registered owner of Bonds in an aggregate principal amount of at least \$1,000,000, which written request is on file with the Paying Agent prior to any Record Date, interest on such Bonds shall be paid on each succeeding

Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as shall be specified in such written request.

This Bond is one of a series of \$_____ of bonds (the "Bonds") issued for the purpose of financing the construction, acquisition, and improvement of authorized parks and recreation facilities under a November 6, 2001 general obligation bond measure. The Bonds have been issued under authority of and under the laws of the State of California, and under a resolution of the City Council of the City adopted on April 12, 2022 (the "Bond Resolution"). The Bonds are payable as to both principal and redemption premium (if any) and interest from the proceeds of the levy of *ad valorem* taxes on all property subject to such taxes in the City, which taxes are unlimited as to rate or amount, that the City levies for the payment of the Bonds and the interest thereon, in accordance with Section 43632 of the Government Code.

The principal and redemption premium (if any) of and interest on this Bond do not constitute a debt of the County, the State of California, or any of its political subdivisions other than the City, or any of the officers, agents and employees thereof, and neither the County, the State of California, any of its political subdivisions other than the City, nor any of the officers, agents and employees thereof shall be liable hereon. In no event shall the principal and redemption premium (if any) of and interest on this Bond be payable out of any funds or properties of the City other than *ad valorem* taxes described in the previous paragraph.

The Bonds are issuable only as fully registered Bonds in the denominations of \$5,000 or any integral multiple thereof. This Bond is exchangeable and transferable for Bonds of other authorized denominations at the principal corporate trust office of the Paying Agent, by the Registered Owner or by a person legally empowered to do so, upon presentation and surrender hereof to the Paying Agent, together with a request for exchange or an assignment signed by the Registered Owner or by a person legally empowered to do so, in a form satisfactory to the Paying Agent, all subject to the terms, limitations and conditions provided in the Bond Resolution. Any tax or governmental charges shall be paid by the transferor. The City and the Paying Agent may deem and treat the Registered Owner as the absolute owner of this Bond for the purpose of receiving payment of or on account of principal or interest and for all other purposes, and neither the City nor the Paying Agent shall be affected by any notice to the contrary.

The Bonds maturing on or before August 1, ___ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, ___ are subject to redemption prior to maturity as a whole, or in part among maturities on such basis as shall be designated by the City and by lot within a maturity, at the option of the City, from any available source of funds, on August 1, ___ and on any Interest Payment Date thereafter, at a redemption price (expressed as a percentage of the principal amount of Bonds to be redeemed) as set forth in the following table, together with interest thereon to the date fixed for redemption.

Redemption Dates

Redemption Price

[If applicable:] The Bonds maturing on August 1, 20__ (the "Term Bonds") are also subject to mandatory sinking fund redemption on August 1 in the years, and in the amounts, as set forth in the following table, at a redemption price equal to 100% of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption; *provided, however*, that if some but not all of the Term Bonds have been redeemed under the preceding paragraph, the aggregate principal amount of Term Bonds to be redeemed under this paragraph shall be reduced as shall be designated under written notice filed by the City with the Paying Agent.

Sinking Fund Redemption Date (<u>August 1</u>)	Principal Amount To Be <u>Redeemed</u>
--	--

The Paying Agent shall give notice of the redemption of the Bonds at the expense of the City. Such notice shall specify: (a) that the Bonds or a designated portion thereof are to be redeemed, (b) the numbers and CUSIP numbers of the Bonds to be redeemed, (c) the date of notice and the date of redemption, (d) the place or places where the redemption will be made, and (e) descriptive information regarding the Bonds including the dated date, interest rate and stated maturity date. Such notice shall further state that on the specified date there shall become due and payable upon each Bond to be redeemed, the portion of the principal amount of such Bond to be redeemed, together with interest accrued to said date, the redemption premium, if any, and that from and after such date interest with respect thereto shall cease to accrue and be payable.

Notice of redemption shall be by registered or otherwise secured mail or delivery service, postage prepaid, to the registered owner of the Bonds, to a municipal registered securities depository and to a national information service that disseminates securities redemption notices and, by first class mail, postage prepaid, to the City and the respective Owners of any Bonds designated for redemption at their addresses appearing on the Bond registration books, in every case at least 20 days, but not more than 60 days, prior to the redemption date; provided that neither failure to receive such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

The City may send a conditional redemption notice and rescind such notice, all as set forth in the Bond Resolution.

Neither the City nor the Paying Agent will be required: (a) to issue or transfer any Bond during a period beginning with the opening of business on the 15th calendar day next preceding either any Interest Payment Date or any date of selection of any Bond to be redeemed and ending with the close of business on the Interest Payment Date or a day on which the applicable notice of redemption is given, or (b) to transfer any Bond which has been selected or called for redemption in whole or in part.

Reference is made to the Bond Resolution for a more complete description of the provisions, among others, with respect to the nature and extent of the security for the Bonds, the rights, duties and obligations of the City, the Paying Agent and the Registered Owners, and the terms and conditions upon which the Bonds are issued and secured. The owner of this Bond assents, by acceptance hereof, to all of the provisions of the Bond Resolution.

IT IS CERTIFIED, RECITED AND DECLARED that all acts and conditions required by the Constitution and laws of the State of California to exist, to be performed or to have been met precedent to and in the issuing of the Bonds in order to make them legal, valid and binding general obligations of the City, have been performed and have been met in regular and due form as required by law; that payment in full for the Bonds has been received; that no statutory or constitutional limitation on indebtedness or taxation has been exceeded in issuing the Bonds; and that due provision has been made for levying and collecting ad valorem property taxes on all of the taxable property within the City in an amount sufficient to pay principal and interest when due, and for levying and collecting such taxes the full faith and credit of the City are hereby pledged.

This Bond shall not be valid or obligatory for any purpose and shall not be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication below has been manually signed by the Paying Agent.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the City or the Paying Agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, the City of Menlo Park has caused this Bond to be executed by the facsimile signature of its Mayor and attested by the facsimile signature of its City Clerk, all as of the date stated above.

CITY OF MENLO PARK

By _____
Mayor

Attest:

City Clerk

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the Bond Resolution referred to herein.

Date of Authentication:

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,**
as Paying Agent

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Bond and do(es) hereby irrevocably constitute and appoint

_____ attorney, to transfer the same on the registration books of the Bond Registrar, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by
a an eligible guarantor institution.

Note: The signature(s) on this Assignment
must correspond with the name(s) as
written on the face of the within Bond in
every particular without alteration or
enlargement or any change whatsoever.

Government Code Section 5852.1 Disclosure

The following information consists of estimates that have been provided in good faith by the City's Municipal Advisors:

- (A) True Interest Cost of the Bonds: 3.35%
- (B) Finance Charge of the Bonds (Sum of all fees/charges paid to third parties):
\$246,575
- (C) Net Proceeds to be Received (net of finance charges, reserves and capitalized interest, if any): \$14,315,000
- (D) Total Payment Amount Through Maturity: \$22,151,544

The foregoing estimates constitute good faith estimates only. The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2022

NEW ISSUE - FULL BOOK-ENTRY

RATING:
Moody's: "___"

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications described herein, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations, such interest is taken into account in determining certain income and earnings. In the further opinion of Bond Counsel, such interest is exempt from California personal income taxes. See "LEGAL MATTERS – Tax Exemption."

\$14,315,000*
CITY OF MENLO PARK
2022 General Obligation Bonds
(2001 Election)

Dated: Date of Delivery

Due August 1, as shown on inside front cover

Issuance. The general obligation bonds captioned above (the "Bonds") are being issued by the City of Menlo Park (the "City") under provisions of the California Government Code and a Resolution adopted by the City Council of the City (the "City Council") on April 12, 2022 (the "Bond Resolution"). The Bonds were authorized at an election of the registered voters of the City held on November 6, 2001, which authorized the issuance of general obligation bonds for the purpose of financing the construction, acquisition, and improvement of parks and recreation facilities (the "2001 Authorization"). The Bonds are the fourth and final series of bonds to be sold and issued under the 2001 Authorization. See "THE BONDS – Authority for Issuance."

Purpose. The Bonds are being issued for the purpose of financing the construction, acquisition, and improvement of parks and recreation facilities. See "PLAN OF FINANCE – Purpose of Issue."

Security. The Bonds are general obligations of the City, payable solely from ad valorem property taxes levied by the City and collected by San Mateo County (the "County"). The City Council is empowered and obligated to annually levy ad valorem taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the City, without limitation of rate or amount (except certain personal property that is taxable at limited rates). See "SECURITY FOR THE BONDS."

Book-Entry Only. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"). The Bonds are issuable as fully registered securities in denominations of \$5,000 or any integral multiple of \$5,000. Purchasers of the Bonds (the "Beneficial Owners") will not receive physical certificates representing their interest in the Bonds. See "THE BONDS" and "APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payments. Interest on the Bonds accrues from the date of delivery and is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2023. Payments of principal and interest on the Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent"), to DTC for subsequent disbursement to DTC Participants, which will remit such payments to the Beneficial Owners of the Bonds. See "THE BONDS – Description of the Bonds."

Redemption. The Bonds are subject to optional and mandatory redemption prior to maturity. See "THE BONDS – Redemption."

Maturity Schedule
(See inside cover)

Cover Page. This cover page contains certain information for general reference only. It is not a summary of all the provisions of the Bonds. Prospective investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

The Bonds will be offered when, as and if issued and accepted by the Underwriter, subject to the approval as to legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel to the City, and subject to certain other conditions. Jones Hall is also serving as Disclosure Counsel to the City. Certain legal matters are being passed upon for the City by the City Attorney. It is anticipated that the Bonds, in book entry form, will be available for delivery by DTC in New York, New York, on or about May 5, 2022*.

BofA SECURITIES

The date of this Official Statement is _____, 2022.

* Preliminary; subject to change.

MATURITY SCHEDULE
(Base CUSIP†: _____)

<u>Maturity Date</u> <u>(August 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u>
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C: Priced to first par optional call date of August 1, 20__.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by FactSet Research Systems Inc on behalf of The American Bankers Association. Neither the City nor the Underwriter takes any responsibility for the accuracy of the CUSIP data.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any bond owner and the City or the Underwriter. This Official Statement and the information contained herein are subject to completion or amendment without notice.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations relating to the Bonds other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Estimates and Projections. When used in this Official Statement and in any continuing disclosure by the City, in any press release and in any oral statement made with the approval of an authorized officer of the City, the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “forecast,” “expect,” “intend” and similar expressions identify “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Information in Official Statement. The information set forth in this Official Statement has been furnished by the City and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by the City.

Involvement of Underwriter. The Underwriter (as defined in “UNDERWRITING”) has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the Federal Securities Laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document Summaries. All summaries of the Bond Resolution or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Bonds have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the City, or the other parties described in this Official Statement, or the condition of the property within the City since the date of this Official Statement.

Website. The City maintains a website; however, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Bonds.

CITY OF MENLO PARK

ELECTED OFFICIALS

Betsy Nash, Mayor
Jen Wolosin, Vice Mayor
Drew Combs, Councilmember
Ray Mueller, Councilmember
Cecilia Taylor, Councilmember

CITY OFFICIALS AND STAFF

Justin Murphy, *Interim City Manager*
Mary Morris-Mayorga, *Interim Administrative Services Director*
Marvin Davis, *Interim Finance Director*
Judi A. Herren, *City Clerk*
Adam Benson, *Consultant*
Nira F. Doherty, *City Attorney*

PROFESSIONAL SERVICES

BOND AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation
San Francisco, California

MUNICIPAL ADVISOR

Urban Futures, Inc.
Walnut Creek, California

BOND REGISTRAR, TRANSFER AGENT, AND PAYING AGENT

The Bank of New York Mellon Trust Company, N.A.
Dallas, Texas

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APPENDIX A - GENERAL INFORMATION ABOUT THE CITY OF MENLO PARK
AND SAN MATEO COUNTY

APPENDIX B - CITY FINANCIAL INFORMATION

APPENDIX C - ANNUAL FINANCIAL REPORT FOR YEAR ENDED JUNE 30, 2021

APPENDIX D - PROPOSED FORM OF OPINION OF BOND COUNSEL

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APPENDIX F - DTC AND THE BOOK-ENTRY ONLY SYSTEM

OFFICIAL STATEMENT

\$14,315,000*
CITY OF MENLO PARK
2022 General Obligation Bonds
(2001 Election)

The purpose of this Official Statement, which includes the cover page, inside cover page and attached appendices, is to set forth certain information concerning the sale and delivery of the bonds captioned above (the “**Bonds**”) by the City of Menlo Park (the “**City**”). All capitalized terms used in this Official Statement, unless noted otherwise, have the meanings set forth in the Bond Resolution (as defined below).

INTRODUCTION

This Introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement and the documents summarized or described in this Official Statement. A full review should be made of the entire Official Statement. The offering of Bonds to potential investors is made only by means of the entire Official Statement.

The City. The City is a general law city that was first incorporated in 1874, and reincorporated in 1927. The City is located in the southern portion of San Mateo County (the “**County**”), on the west side of San Francisco Bay, approximately 25 miles south of San Francisco and 25 miles north of San Jose. The City is served by major freeways and public transportation networks. The Caltrain commuter rail service stops in the City and provides access to downtown San Francisco and San José. Local and commuter bus transportation is provided by the San Mateo County Transit District.

For demographic and financial information regarding the City and County, see “APPENDIX A – GENERAL INFORMATION ABOUT THE CITY OF MENLO PARK AND SAN MATEO COUNTY,” “APPENDIX B – CITY FINANCIAL INFORMATION,” and “APPENDIX C – ANNUAL FINANCIAL REPORT FOR YEAR ENDED JUNE 30, 2021.”

COVID-19 Statement. The COVID-19 pandemic has resulted in a public health crisis that is fluid and unpredictable with financial and economic impacts that cannot be predicted. As such, investors are cautioned that the City cannot at this time predict the impacts that the ongoing pandemic or other public health emergencies may have on its operations and finances, property values in the City, and economic activity in the City, the State of California (the “**State**”) and the nation, among others. For more disclosure regarding the COVID-19 emergency, see “SECURITY FOR THE BONDS – COVID-19 Global Pandemic.”

* Preliminary; subject to change.

Authority for Issuance. The Bonds are being issued under Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, and pursuant to and consistent with the Charter of the City. The City authorized the issuance of the Bonds under a Resolution adopted by the City Council of the City (the “**City Council**”) on April 12, 2022 (the “**Bond Resolution**”). The Bonds are the fourth and final series of bonds issued under the 2001 Authorization. Following the issuance of the Bonds, there will be \$_____ remaining under the 2001 Authorization.* See “THE BONDS – Authority for Issuance.”

Purpose for Issuance. The net proceeds of the Bonds will be used to finance the construction, acquisition, and improvement of parks and recreation facilities, as approved by the voters at an election held in the City on November 6, 2001 (the “**Bond Election**”) with respect to the bond measure known as Measure T. See “PLAN OF FINANCE – Purpose of Issue.”

Security and Sources of Payment for the Bonds. The Bonds are general obligations of the City payable solely from ad valorem property taxes levied by the City and collected by the County. The City Council is empowered and is obligated to annually levy ad valorem taxes for the payment of interest on, and principal of, the Bonds upon all property subject to taxation by the City, without limitation of rate or amount (except with respect to certain personal property that is taxable at limited rates). See “SECURITY FOR THE BONDS.”

The impact that the current COVID-19 outbreak might have on the assessed valuation of property located in the City is uncertain at this time. See “PROPERTY TAXATION – Assessed Valuations” and “SECURITY FOR THE BONDS – COVID-19 Global Pandemic.”

Payment and Registration of the Bonds. The Bonds will be dated their date of original issuance and delivery (the “**Dated Date**”) and will be issued as fully registered bonds, without coupons, in the denominations of \$5,000 or any integral multiple of \$5,000, registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“**DTC**”), and will be available under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants as described below. Beneficial Owners will not be entitled to receive physical delivery of the Bonds. See “THE BONDS” and “APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Interest on the Bonds accrues from the Dated Date and is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2023. See “THE BONDS – Description of the Bonds.”

Early Redemption. The Bonds are subject to optional and mandatory redemption prior to their maturity as described in “THE BONDS – Redemption.”

Other Information. This Official Statement speaks only as of its date, and the information contained herein is subject to change. Copies of documents referred to in this Official Statement and information concerning the Bonds are available from the City of Menlo Park City Clerk, 701 Laurel Street, California 94025, (650) 330-6600. The City may impose a charge for copying, mailing and handling.

* Preliminary; subject to change.

PLAN OF FINANCE

Purpose of Issue

The proceeds of the Bonds will be used to finance projects approved by more than the requisite 2/3 of City voters at the Bond Election. The abbreviated form of the ballot measure for Measure T was:

"To renovate and expand the City's parks and recreation facilities, shall the City of Menlo Park be authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities and all costs incident thereto; provided, that at the time any bond is issued, the highest tax rate required to service all bonds authorized by this measure and issued shall not be in excess of \$14 per \$100,000 in assessed valuation?"

The Bonds will be the fourth and final series of bonds issued pursuant to the authority received at the Bond Election.

Sources and Uses of Funds

The estimated sources and uses of funds with respect to the Bonds will be applied as follows:

Sources of Funds

Principal Amount of Bonds
Plus: Net Original Issue Premium
Less: Underwriter's Discount
Total Sources

Uses of Funds

Deposit to Project Fund
Deposit to Debt Service Fund
Costs of Issuance ⁽¹⁾
Total Uses

(1) Includes Municipal Advisor fees, Bond Counsel and Disclosure Counsel fees, printing costs, rating agency fees and other related costs.

THE BONDS

Authority for Issuance

The Bonds are being issued under Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “**Act**”) and other applicable law, and pursuant to the City’s powers under and consistent with the Charter of the City. The City Council authorized the issuance of the Bonds pursuant to the Bond Resolution.

The net proceeds of the Bonds will be used to finance the construction, acquisition, and improvement of parks and recreation facilities, as approved by the voters at an election held in the City on November 6, 2001 (the “**Bond Election**”) with respect to the bond measure known as Measure T.

The City received authorization at the Bond Election, by an affirmative vote of more than 2/3 of the eligible voters within the City (the “**2001 Authorization**”) to issue \$38,000,000 of general obligation bonds. The Bonds are the fourth and final series of Bonds to be sold and issued under the 2001 Authorization.

Description of the Bonds

Book-Entry Form. The Bonds will be issued in book-entry form only, and will be initially issued and registered in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“**DTC**”). Purchasers of the Bonds (the “**Beneficial Owners**”) will not receive physical certificates representing their interest in the Bonds. Payments of principal of and interest on the Bonds will be paid by the Paying Agent to DTC for subsequent disbursement to DTC Participants which will remit such payments to the Beneficial Owners of the Bonds.

As long as DTC’s book-entry method is used for the Bonds, the Paying Agent will send any notice of prepayment or other notices to owners only to DTC. Any failure of DTC to advise any DTC Participant, or of any DTC Participant to notify any Beneficial Owner, of any such notice and its content or effect will not affect the validity or sufficiency of the proceedings relating to the prepayment of the Bonds called for prepayment or of any other action premised on such notice.

The Paying Agent, the City, and the Underwriter of the Bonds have no responsibility or liability for any aspects of the records relating to or payments made on account of beneficial ownership, or for maintaining, supervising or reviewing any records relating to beneficial ownership, of interests in the Bonds.

See “APPENDIX F – DTC AND THE BOOK-ENTRY ONLY SYSTEM.”

Interest. Interest on the Bonds is payable semiannually on February 1 and August 1 of each year (the “**Interest Payment Dates**”), commencing February 1, 2023.

Interest on the Bonds is payable from the Interest Payment Date next preceding the date of authentication thereof unless:

1. a Bond is authenticated as of an Interest Payment Date, in which event it will bear interest from such date,

2. a Bond is authenticated prior to an Interest Payment Date and after the close of business on the 15th day of the month preceding the Interest Payment Date (each, a “**Record Date**”), in which event it will bear interest from such Interest Payment Date,
3. a Bond is authenticated on or before January 15, 2023, in which event it shall bear interest from the Closing Date, or
4. at the time of authentication of a Bond, interest is in default thereon, in which event it will bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Interest on the Bonds will be calculated on the basis of a 360-day year comprised of twelve 30-day months.

Denominations and Maturity. The Bonds shall be issued in denominations of \$5,000 each or any integral multiple of \$5,000. The Bonds mature on August 1 in the years and amounts set forth on the inside cover page hereof.

See the maturity schedule on the inside cover page hereof and “DEBT SERVICE SCHEDULE” below.

Payment

Interest on the Bonds (including the final interest payment upon maturity) is payable by check of the Paying Agent mailed to the owner thereof at such owner’s address as it appears on the Registration Books (as defined below) at the close of business on the preceding Record Date, except that at the written request of the Owner of at least \$1,000,000 aggregate principal amount of the Bonds, which written request is on file with the Paying Agent as of any Record Date, interest on such Bonds shall be paid by wire transfer on the succeeding Interest Payment Date to an account in the United States of America as shall be specified in such written request.

Principal of and premium (if any) on the Bonds is payable in lawful money of the United States of America upon presentation and surrender at the principal office of the Paying Agent.

Redemption*

Optional Redemption. The Bonds maturing on or before August 1, 20__, are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20__, are subject to redemption prior to maturity, at the option of the City, in whole or in part among maturities on such basis as designated by the City and by lot within a maturity, from any available source of funds, on August 1, 20__, and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Term Bonds maturing on August 1, 20__ and August 1, 20__ (the “**Term Bonds**”) are subject to redemption prior to their stated maturity date, without a redemption premium, in part by lot, from mandatory sinking fund payments on

* Preliminary; subject to change.

each August 1, on and after August 1, 20__, in the principal amounts as set forth in the following tables:

\$ _____ Term Bond Due August 1, 20__

Payment Date (August 1)	Payment Amount
----------------------------	-------------------

(Maturity)

\$ _____ Term Bond Due August 1, 20__

Payment Date (August 1)	Payment Amount
----------------------------	-------------------

(Maturity)

If some but not all of the Term Bonds have been optionally redeemed, the aggregate principal amount of Term Bonds to be subject to Mandatory Sinking Fund Redemption in each year will be reduced on a pro rata basis in integral multiples of \$5,000, as designated in written notice filed by the City with the Paying Agent.

Redemption Procedure. The Paying Agent will cause notice of any redemption to be mailed, first class mail, postage prepaid, at least 20 days but not more than 60 days prior to the date fixed for redemption, (i) to the Securities Depositories and the Municipal Securities Rulemaking Board, and (ii) to the respective Owners of any Bonds designated for redemption, at their addresses appearing on the Registration Books (as defined below) maintained by the Paying Agent. Such mailing will not be a condition precedent to such redemption and failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such Bonds.

The City is entitled to send a redemption notice that declares that the redemption is conditional upon the availability of moneys to accomplish the redemption, and the City may rescind any notice of optional redemption of the Bonds by written notice to the Paying Agent on or prior to the date fixed for redemption, and the Paying Agent shall mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under this section. Any notice of redemption shall be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption. The City and the Paying Agent have no liability to the Owners or any other party related to or arising from such rescission.

A redemption notice will state the redemption date and the redemption price and, if less than all of the then Outstanding Bonds are to be called for redemption, will designate the serial numbers of the Bonds to be redeemed by giving the individual number of each Bond or by stating that all Bonds between two stated numbers, both inclusive, or by stating that all of the Bonds of one or more maturities have been called for redemption, and will require that such Bonds be then surrendered at the principal office of the Paying Agent for redemption at the said redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

Partial Redemption. Upon surrender of Bonds redeemed in part only, the City will execute and the Paying Agent will authenticate and deliver to the owner, at the expense of the City, a new Bond or Bonds, of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond or Bonds.

Effect of Redemption. From and after the date fixed for redemption, if notice of such redemption has been duly given and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called will cease to be entitled to any benefit under the Bond Resolution other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Registration, Transfer and Exchange of Bonds

If the book-entry system as described above and in Appendix F is no longer used with respect to the Bonds, the following provisions will govern the registration, transfer, and exchange of the Bonds.

Registration Books. The Paying Agent will keep or cause to be kept sufficient books for the registration and transfer of the Bonds (the “**Registration Books**”), which will at all times be open to inspection by the City upon reasonable notice; and, upon presentation for such purpose, the Paying Agent shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, the Bonds.

Transfer. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation at the principal office of the Paying Agent, accompanied by delivery of a written instrument of transfer in a form approved by the Paying Agent, duly executed. The City may charge a reasonable sum for each new Bond issued upon any transfer.

Whenever any Bond or Bonds are surrendered for transfer, the City will execute and the Paying Agent will authenticate and deliver a new Bond or Bonds, for like aggregate principal amount.

Exchange. Bonds may be exchanged at the principal office of the Paying Agent for a like aggregate principal amount of Bonds of authorized denominations and of the same maturity. The City may charge a reasonable sum for each new Bond issued upon any exchange.

Defeasance

The City has the option to pay and discharge the entire indebtedness on all or any portion of the outstanding Bonds in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing, in trust, at or before maturity:

- (i) lawful money of the United States of America in an amount equal to the principal amount of such Bonds and all unpaid interest thereon to maturity; or
 - (ii) Federal Securities (as defined below), the principal of and interest on, which when due, in the opinion of a certified public accountant delivered to the City, will provide money sufficient to pay the principal of and all unpaid interest to maturity on the Bonds to be paid, as such principal and interest become due.
- (c) by delivering such Bonds to the Paying Agent for cancellation by it.

“**Federal Securities**” means United States Treasury notes, bonds, bills or certificates of indebtedness, or any other obligations, the timely payment of which is directly or indirectly guaranteed by the faith and credit of the United States of America.

DEBT SERVICE SCHEDULE

The following table shows the debt service schedule with respect to the Bonds (assuming no optional redemptions).

Year Ending <u>August 1</u>	<u>Principal</u>	<u>Interest</u>	Total <u>Debt Service</u>
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Total

SECURITY FOR THE BONDS

Ad Valorem Taxes

Bonds Payable from Ad Valorem Property Taxes. The Bonds are general obligations of the City, payable solely from ad valorem property taxes levied by the City and collected by the County. The City is empowered and is obligated to annually levy ad valorem taxes for the payment of the Bonds and the interest thereon upon all property within the City subject to taxation by the City, without limitation of rate or amount (except certain personal property that is taxable at limited rates).

Levy and Collection. The City will levy and the County will collect such ad valorem taxes in such amounts and at such times as is necessary to ensure the timely payment of debt service. Such taxes, when collected, will be deposited into a debt service fund for the Bonds, which is maintained by the City and which is irrevocably pledged for the payment of principal of and interest on the Bonds when due.

City property taxes are assessed and collected by the County in the same manner, at the same time and in the same installments as other ad valorem taxes on real property and will have the same priority, become delinquent at the same times and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the other ad valorem taxes on real property. As described below, although the County has adopted the Teeter Plan, the City has elected not to participate in the Teeter Plan, meaning that the City receives all of the property taxes that are actually collected, and the City also receives any penalties and interest on delinquent taxes. See “PROPERTY TAXATION – Alternative Method of Tax Apportionment – Teeter Plan.”

Annual Tax Rates. The amount of the annual ad valorem tax levied by the City to repay the Bonds will be determined by the relationship between the assessed valuation of taxable property in the City and the amount of debt service due on the Bonds. Fluctuations in the annual debt service on the Bonds and the assessed value of taxable property in the City may cause the annual tax rate to fluctuate.

In accordance with the Bond Election, the Bonds will not be issued unless the highest tax rate required to service all bonds authorized by Measure T and issued will not be in excess of \$14 per \$100,000 in assessed valuation, based on the fiscal year 2021-22 assessed valuation. Before issuing the Bonds, the City will receive confirmation from the Municipal Advisor that such requirement has been satisfied.

Economic and other factors beyond the City’s control, such as economic recession, deflation of land values, a relocation out of the City or financial difficulty or bankruptcy by one or more major property taxpayers, or the complete or partial destruction of taxable property caused by, among other eventualities, earthquake, flood or other natural disaster, could cause a reduction in the assessed value within the City and necessitate a corresponding increase in the annual tax rate. See “PROPERTY TAXATION – Assessed Valuation – Factors Relating to Increases/Decreases in Assessed Value.” See also “— COVID-19 Global Pandemic.”

Debt Service Fund

The City will establish the Debt Service Fund for the Bonds (the “**Debt Service Fund**”), which will be established as a separate fund to be maintained distinct from all other funds of the

City. All taxes levied by the City pursuant to the Bond Resolution for the payment of the principal of and interest and premium (if any) on the Bonds will be deposited in the Debt Service Fund by the City promptly upon receipt from the County. The Debt Service Fund is pledged for the payment of the principal of and interest and premium (if any) on the Bonds when and as the same become due. The City will transfer amounts in the Debt Service Fund, to the extent necessary to pay the principal of and interest on the Bonds as the same become due and payable, to the Paying Agent, as required to pay the principal of and interest and premium (if any) on the Bonds.

If, after payment in full of the Bonds, any amounts remain on deposit in the Debt Service Fund, the City shall transfer such amounts to its General Fund, to be applied solely in a manner that is consistent with the requirements of applicable state and federal tax law.

Limited Obligation

The Bonds are payable solely from the proceeds of an ad valorem tax levied by the City, and collected by the County, for the payment of principal and interest on the Bonds. Although the County is obligated to collect the ad valorem tax for the payment of the Bonds, the Bonds are not a debt of the County.

COVID-19 Global Pandemic

General. The spread of the novel strain of coronavirus that causes the disease known as COVID-19 (“**COVID-19**”) and local, state, and federal actions in response to COVID-19, is having a significant impact on the economy and on the City’s operations and finances. On February 11, 2020, the World Health Organization (“**WHO**”) announced the official name for the outbreak of COVID-19, an upper respiratory tract illness. COVID-19 has since spread across the globe. The COVID-19 pandemic has had an adverse effect on, among other things, the world economy, global supply chain, international travel, and a number of travel-related industries. The temporary and permanent business closures caused by the COVID-19 pandemic have led to a stark increase in unemployment across the County and the nation. Depending on the length and the breadth of the impacts of the COVID-19 pandemic, the economic costs may be very significant for the City and the region’s economy. On June 8, 2020, the National Bureau of Economic Research announced that the United States of America (the “**U.S.**”) officially entered into a recession in February 2020. In addition, capital markets in the United States and globally have been volatile.

In mid-March 2020, based on guidance and directives from the State and public health agencies, all counties in the Bay Area and the City implemented and revised Shelter-in-Place (“**Shelter-in-Place**”) emergency orders or directives, which directed individuals to stay home, except for limited travel for the conduct of essential services. Most retail establishments (including restaurants, bars and nightclubs, entertainment venues and gyms) were closed in response to the Shelter-in-Place orders or directives. The Governor of the State announced similar Shelter-in-Place emergency orders effective for the entire State, which were lifted in June 2021.

In December 2020, two vaccines were approved for emergency use in the United States and vaccinations began in California. A third vaccine was approved for emergency use in February 2021. In July 2021, as a result of the Delta variant, all Bay Area counties and the City issued recommendations that all persons wear masks in indoor settings, regardless of vaccination status, and the recommendation became mandatory in August 2021. Also in August 2021, booster shots became available to all Americans. In January 2022, the Omicron variant surged in the State, and began to wane in February 2022 and on February 16, 2022, the State and the City lifted the indoor mask mandate in most public settings for vaccinated people.

Impacts of COVID-19 Emergency Uncertain. The COVID-19 pandemic is still ongoing, however, indications are strong that the pandemic is transitioning to its endemic stage though its dynamic nature leads to uncertainties. There are many variables that will continue to contribute to the economic impact of the COVID-19 pandemic and the recovery, including the length of time social distancing measures are in place, the effectiveness of State and Federal governments' relief programs and the timing for the containment and treatment of COVID-19. The ultimate impact of COVID-19 on the City's operations and finances is not fully known, and it may be some time before the full impact of the COVID-19 pandemic is known.

General Obligation Bonds Secured by Ad Valorem Tax Revenues. Notwithstanding the impacts the COVID-19 emergency may have on the economy in the State, the County and the City or on the City's general purpose revenues, the Bonds described herein are voter-approved general obligations of the City payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the City. The City cannot predict the impacts that the Coronavirus emergency might have on local property values or tax collections. See "SECURITY FOR THE BONDS – *Ad Valorem* Taxes" and "PROPERTY TAXATION – Tax Levies and Delinquencies" herein.

PROPERTY TAXATION

Property Tax Collection Procedures

In California, property that is subject to ad valorem taxes is classified as "secured" or "unsecured." The "secured roll" is that part of the assessment roll containing state assessed public utilities' property and property, the taxes on which are a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. A tax levied on unsecured property does not become a lien against such unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens arising pursuant to State law on such secured property, regardless of the time of the creation of the other liens. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year. If unpaid, such taxes become delinquent after December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. In addition, property on the secured roll with respect to which taxes are delinquent is declared tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County.

Property taxes are levied for each fiscal year on taxable real and personal property situated in the taxing jurisdiction as of the preceding January 1. A bill enacted in 1983, SB813 (Statutes of 1983, Chapter 498), however, provided for the supplemental assessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Thus, this legislation eliminated delays in the realization of increased property taxes from new assessments. As amended, SB813 provided increased revenue to taxing jurisdictions

to the extent that supplemental assessments of new construction or changes of ownership occur subsequent to the January 1 lien date and result in increased assessed value.

Property taxes on the unsecured roll are due on the January 1 lien date and become delinquent, if unpaid on the following August 31. A 10% penalty is also attached to delinquent taxes in respect of property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning the first day of the third month following the delinquency date. The taxing authority has four ways of collecting unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the county recorder's office, in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes in respect of property on the secured roll is the sale of the property securing the taxes for the amount of taxes which are delinquent.

Taxation of State-Assessed Utility Property

The State Constitution provides that most classes of property owned or used by regulated utilities are assessed by the State Board of Equalization ("**SBE**") and taxed locally. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as "unitary property," a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and "operating nonunitary" property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation

Assessed Valuation History. The following is a table summarizing the historical assessed valuation of the taxable property in the City.

Table 1
CITY OF MENLO PARK
Assessed Valuations of All Taxable Property
Fiscal Years 2012-13 to 2021-22

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>	<u>Percent Change</u>
2012-13	\$9,898,375,396	\$962,685	\$763,104,021	\$10,662,442,102	--%
2013-14	10,609,696,649	842,890	742,562,403	11,353,101,942	6.48
2014-15	11,315,595,466	842,890	739,703,055	12,056,141,411	6.19
2015-16	12,575,019,760	1,295,910	844,648,919	13,420,964,589	11.32
2016-17	14,021,536,919	1,295,910	1,073,056,024	15,095,888,853	12.48
2017-18	15,581,435,344	1,295,910	1,398,795,673	16,981,526,927	12.49
2018-19	17,912,242,654	869,015	941,142,287	18,854,153,956	11.03
2019-20	19,780,228,195	993,160	1,046,462,723	20,827,684,078	10.47
2020-21	21,743,778,008	993,160	1,007,916,459	22,743,687,627	9.20
2021-22	23,310,406,154	993,160	1,086,160,175	24,397,559,489	7.27

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, pandemics, and natural disasters such as earthquakes, fires, floods and droughts.

Earthquake Risk. Property values could be reduced by factors beyond the City's control, including an earthquake, or a depressed real estate market due to general economic conditions in the County, the region, and the State.

The City is located in a seismically active region. Active earthquake faults underlie both the City and the surrounding Bay Area. Three major earthquake faults that comprise the San Andreas fault system extend through the Bay Area, including the San Andreas fault, the Hayward fault, and the Calaveras fault. On August 24, 2014, an earthquake occurred in Napa, California. The tremor's epicenter was located approximately 3.7 miles northwest of American Canyon near the West Napa Fault and registered 6.0 on the Richter scale of earthquake intensity. The Napa earthquake caused fires, damaged buildings and roads, and injured approximately 200 people. The Napa earthquake was the largest earthquake in the Bay Area since the 1989 Loma Prieta earthquake on the San Andreas Fault, which was centered about 60 miles south of San Francisco and registered 6.9 on the Richter scale of earthquake intensity. The Loma Prieta earthquake caused fires and collapses of and structural damage to buildings, highways and bridges in the Bay Area..

In August 2016, the 2014 Working Group on California Earthquake Probabilities (a collaborative effort of the United States Geological Survey, the California Geological Society and the Southern California Earthquake Center) issued a revised report that states there is a 72% chance that one or more earthquakes of magnitude 6.7 or larger will occur in the Bay Area before the year 2043. Such earthquakes may be very destructive. Property within the City could sustain

extensive damage in a major earthquake, and a major earthquake could adversely affect the area's economic activity.

Drought. In recent years, the State has experienced severe drought conditions. On October 19, 2021, the Governor declared a drought emergency for the entire State. The State reports that climate change induced earlier than expected warm temperatures and extremely dry soil, which have further depleted the expected runoff water from the Sierra-Cascade snowpack, resulting in historic and unanticipated reductions in the amount of water flowing to major reservoirs, especially in Klamath River, Sacramento-San Joaquin Delta, and Tulare Lake Watershed counties.

According to the State, 2021 was the second driest water year, with August 2021 being the hottest and driest month on record. California experienced an accelerated rate of snow melt in the Sacramento, Feather and American River watersheds, which feed the major reservoirs of the State and federal water projects. This was exacerbated when much of the snowpack, sitting on very dry ground, seeped into the earth rather than flowing into our rivers and streams and into these reservoirs. Warming temperatures also prompted water diverters below the dams to withdraw their water much earlier and in greater volumes than typical even in other recent critically dry years. The drastic reduction in water supplies means these reservoirs are extremely low for water users, including farmers, and fish and wildlife in the counties the drought proclamation covers.

According to the National Oceanic and Atmospheric Administration and National Integrated Drought Information System, 100% of the State is abnormally dry. The City anticipates that resulting increases in dead and dry vegetation will expand this year's fire season into winter and spring months with greater potential for larger fires and rapid fire spread.

Wildfire. In recent years, portions of California have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Property damage due to wildfire could result in a significant decrease in the assessed value of property in the City. It is not possible for the City to make any representation regarding the extent to which wildfires could cause reduced economic activity within the boundaries of the City or the extent to which wildfires may impact the value of taxable property within the City.

The City cannot predict or make any representations regarding the effects that natural disasters including but not limited to earthquakes, fires, floods, droughts and related conditions may have on the value of taxable property within the City, or to what extent the effects said disasters might have had on economic activity in the City or throughout the State. See also "SECURITY FOR THE BONDS – COVID-19 Global Pandemic."

Property Tax Base Transfer Ballot Measure. On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment ("**Proposition 19**"), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The City cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the City.

Assessed Valuation by Land Use. The following table shows the land use of parcels in the City, according to assessed valuation. As shown, the majority of land in the City is used for residential purposes.

**Table 2
CITY OF MENLO PARK
Assessed Valuation and Parcels by Land Use
Fiscal Year 2021-22**

	2021-22 Assessed Valuation ⁽¹⁾	% of Total	No. of Parcels	% of Total
Non-Residential:				
Commercial/Office	\$7,364,146,307	31.59%	386	3.82%
Industrial/Business Park	1,264,070,606	5.42	117	1.16
Recreational	32,256,083	0.14	31	0.31
Government/Social/Institutional	58,270,023	0.25	63	0.62
Miscellaneous	<u>21,797,082</u>	<u>0.09</u>	<u>110</u>	<u>1.09</u>
Subtotal Non-Residential	\$8,740,540,101	37.50%	707	7.00%
Residential:				
Single Family Residence	\$11,327,438,862	48.59%	7,409	73.36%
Condominium	1,035,443,933	4.44	1,113	11.02
2-4 Residential Units	570,588,708	2.45	540	5.35
5+ Residential Units/Apartments	1,279,120,992	5.49	205	2.03
Hotel/Motel	<u>285,840,196</u>	<u>1.23</u>	<u>9</u>	<u>0.09</u>
Subtotal Residential	\$14,498,432,691	62.20%	9,276	91.84%
Vacant Parcels	\$71,433,362	0.31%	117	1.16%
Total	\$23,310,406,154	100.00%	10,100	100.00%

(1) Local Secured Assessed Valuation; excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Assessed Valuation of Single-Family Residential Parcels. The following table shows a breakdown of the assessed valuations of improved single-family residential parcels in the City, according to assessed valuation.

**Table 3
CITY OF MENLO PARK
Per Parcel 2021-22 Assessed Valuation
of Single-Family Homes**

	<u>No. of Parcels</u>	<u>2021-22 Assessed Valuation</u>	<u>Average Assessed Valuation</u>	<u>Median Assessed Valuation</u>
Single Family Residential	7,409	\$11,327,438,862	\$1,528,876	\$1,149,138

<u>2021-22 Assessed Valuation</u>	<u>No. of Parcels (1)</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>	<u>Total Valuation</u>	<u>% of Total</u>	<u>Cumulative % of Total</u>
\$0 - \$199,999	836	11.284%	11.284%	\$ 101,142,139	0.893%	0.893%
\$200,000 - \$399,999	787	10.622	21.906	231,813,331	2.046	2.939
\$400,000 - \$599,999	611	8.247	30.153	304,492,378	2.688	5.627
\$600,000 - \$799,999	535	7.221	37.373	372,005,900	3.284	8.912
\$800,000 - \$999,999	533	7.194	44.567	480,395,257	4.241	13.153
\$1,000,000 - \$1,199,999	524	7.072	51.640	575,530,307	5.081	18.233
\$1,200,000 - \$1,399,999	452	6.101	57.741	584,873,786	5.163	23.397
\$1,400,000 - \$1,599,999	405	5.466	63.207	608,189,588	5.369	28.766
\$1,600,000 - \$1,799,999	370	4.994	68.201	628,363,221	5.547	34.313
\$1,800,000 - \$1,999,999	350	4.724	72.925	662,520,312	5.849	40.162
\$2,000,000 - \$2,199,999	280	3.779	76.704	586,495,719	5.178	45.340
\$2,200,000 - \$2,399,999	250	3.374	80.078	574,029,912	5.068	50.407
\$2,400,000 - \$2,599,999	195	2.632	82.710	485,274,072	4.284	54.691
\$2,600,000 - \$2,799,999	189	2.551	85.261	508,857,014	4.492	59.184
\$2,800,000 - \$2,999,999	132	1.782	87.043	380,953,869	3.363	62.547
\$3,000,000 - \$3,199,999	138	1.863	88.905	427,116,432	3.771	66.317
\$3,200,000 - \$3,399,999	99	1.336	90.242	327,275,228	2.889	69.207
\$3,400,000 - \$3,599,999	94	1.269	91.510	329,424,741	2.908	72.115
\$3,600,000 - \$3,799,999	83	1.120	92.631	306,326,713	2.704	74.819
\$3,800,000 - \$3,999,999	94	1.269	93.899	366,684,128	3.237	78.056
\$4,000,000 and greater	<u>452</u>	<u>6.101</u>	100.000	<u>2,485,674,815</u>	<u>21.944</u>	100.000
	<u>7,409</u>	<u>100.000%</u>		<u>\$11,327,438,862</u>	<u>100.000%</u>	

(1) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Alternative Method of Tax Apportionment - Teeter Plan

The Board of Supervisors of the County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Under the Teeter Plan, each entity levying property taxes in the County may draw on the amount of uncollected secured taxes credited to its fund, in the same manner as if the amount credited had been collected. The City participates in the Teeter Plan, and thus receives 100% of secured property taxes levied in exchange for foregoing any interest and penalties collected on delinquent taxes.

So long as the Teeter Plan remains in effect, the City's receipt of revenues with respect to the levy of ad valorem property taxes will not be dependent upon actual collections of the ad valorem property taxes by the County. However, under the statute creating the Teeter Plan, the Board of Supervisors can under certain circumstances terminate the Teeter Plan in part or in its entirety with respect to the entire County and, in addition, the Board of Supervisors can terminate

the Teeter Plan with respect to the City if the delinquency rate for all ad valorem property taxes levied within the City in any year exceeds 3%. In the event that the Teeter Plan were terminated, the amount of the levy of ad valorem property taxes in the City would depend upon the collections of the ad valorem property taxes and delinquency rates experienced with respect to the parcels within the City.

Notwithstanding that the City receives 100% of its property tax revenues under the Teeter Plan, irrespective of delinquencies, the following table shows secured tax charges and delinquencies within the City during the past five years.

Table 4
CITY OF MENLO PARK
Secured Tax Charges and Delinquencies
General Obligation Bond Debt Service Levy
Fiscal Years 2013-14 to 2020-21

	Secured Tax Charge ⁽¹⁾	Amt. Del. June 30	% Del June 30
2013-14	\$1,822,399.52	\$9,676.26	0.53%
2014-15	1,582,618.92	4,453.60	0.28
2015-16	1,284,010.07	5,400.06	0.42
2016-17	1,298,208.11	5,222.64	0.40
2017-18	1,243,431.57	3,699.39	0.30
2018-19	1,303,377.03	5,799.19	0.44
2019-20	1,284,030.38	6,633.51	0.52
2020-21	1,734,403.15	7,081.62	0.41

(1) Debt service levy only.
Source: California Municipal Statistics, Inc.

Appeals of Assessed Value

There are two types of appeals of assessed values that could adversely impact property tax revenues within the City.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the least of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the SBE, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values when

market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

The City cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers. Any reduction in aggregate City assessed valuation due to appeals, as with any reduction in assessed valuation due to other causes, will cause the tax rate levied to repay the Bonds to increase accordingly, so that the fixed debt service on the Bonds (and other outstanding general obligation bonds, if any) may be paid.

Tax Rates

The table below shows historical property tax rates within the City:

**Table 5
CITY OF MENLO PARK
TYPICAL TAX RATE PER \$100 ASSESSED VALUATION
(TRA 8-001)⁽¹⁾**

Ad Valorem Tax	2017-18	2018-19	2019-20	2020-21	2021-22
General Tax Rate	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000
Midpeninsula Regional Open Space District	.0009	.0018	.0016	.0015	.0015
San Mateo Community College District	.0235	.0175	.0266	.0213	.0227
Sequoia Union High School District	.0383	.0365	.0340	.0315	.0290
Menlo Park School District	.0385	.0383	.0365	.0351	.0328
City of Menlo park	.0080	.0073	.0065	.0080	.0037
Total Tax Rate	\$1.1092	\$1.1014	\$1.1052	\$1.0974	\$1.0897

⁽¹⁾ 2021-22 assessed valuation of TRA 8-001 is \$7,011,437,657 which is 28.74% of the district's total assessed valuation.
Source: California Municipal Statistics, Inc.

Major Taxpayers

The following table shows the twenty largest taxpayers in the City as determined by their secured assessed valuations in 2021-22.

Table 6
CITY OF MENLO PARK
Largest 2021-22 Local Secured Taxpayers

	<u>Property Owner</u>	<u>Primary Land Use</u>	<u>2021-22 Assessed Valuation</u>	<u>% of Total ⁽¹⁾</u>
1.	Hibiscus Properties LLC (2)	Office Building	\$2,028,764,343	8.70%
2.	Facebook Inc.	Office Building	1,140,966,704	4.89
3.	Peninsula Innovation Partners LLC (2)	Business Park	533,694,889	2.29
4.	3000 SH LLC	Office Building	370,749,599	1.59
5.	Bohannon MG2 LLC	Office Building	369,945,220	1.59
6.	Maximus SG New GF Owner LLC	Apartments	267,943,303	1.15
7.	Quadrus Sand Hill LLC	Office Building	260,417,318	1.12
8.	2700 2770 SH LLC	Office Building	245,570,000	1.05
9.	Real Social Good Inv LLC	Office Building	243,626,266	1.05
10.	Anton Menlo Blackhorse LLC	Apartments	243,002,256	1.04
11.	Bohannon MG LLC	Office Building	204,491,020	0.88
12.	Menlo Prepi I LLC	Business Park	194,724,654	0.84
13.	BVK 275 Middlefield LLC	Office Building	187,903,419	0.81
14.	SI 62 LLC	Office Building	182,411,826	0.78
15.	Sand Hill Commons REIT Inc.	Office Building	166,020,893	0.71
16.	Leland Stanford Jr. University	Hotel & Office	155,128,238	0.67
17.	Essex Hamilton LP	Apartments	150,089,762	0.64
18.	Independence Menlo Hotel Owner LLC	Hotel	141,108,449	0.61
19.	KR Menlo Park LLC	Office Building	138,454,496	0.59
20.	Richard Tod & Catherine R. Spieker	Apartments	119,233,840	0.51
			<u>\$7,344,246,495</u>	<u>31.51%</u>

(1) 2020-21 Local Secured Assessed Valuation: \$23,310,406,154.

(2). A wholly owned subsidiary of Facebook Inc.

Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the “**Debt Report**”) prepared by California Municipal Statistics, Inc. and effective April 1, 2022. The Debt Report is included for general information purposes only. The City has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the City in whole or in part. Such long-term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations secured by land within the City. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (1) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the City; (2) the second column shows the percentage that the City’s assessed valuation represents of the total assessed valuation of each public agency identified in the first column; and the third column is an apportionment of the dollar amount of each public agency’s outstanding

debt to property in the City, as determined by multiplying the total outstanding debt of each agency by the percentage of the City's assessed valuation represented in the second column.

**Table 7
CITY OF MENLO PARK
STATEMENT OF DIRECT AND OVERLAPPING BONDED DEBT
(As of April 1, 2022)**

2021-22 Assessed Valuation: \$24,397,559,489

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 4/1/22</u>
San Mateo Community College District	9.160%	\$ 67,224,982
Sequoia Union High School District	21.052	100,026,473
Las Lomas School District	37.734	45,146,844
Menlo Park City School District	61.930	76,039,260
Ravenswood School District	60.369	39,982,389
Redwood City School District	5.024	8,942,029
Midpeninsula Regional Park District	6.902	5,837,367
City of Menlo Park	100.000	<u>15,255,000</u> ⁽¹⁾
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$358,454,344
 <u>OVERLAPPING GENERAL FUND DEBT:</u>		
San Mateo County General Fund Obligations	9.160%	\$56,980,301
San Mateo County Board of Education Certificates of Participation	9.160	626,544
Midpeninsula Regional Park District General Fund Obligations	6.902	6,881,681
Menlo Park Fire Protection District Certificates of Participation	51.465	<u>4,773,379</u>
TOTAL OVERLAPPING GENERAL FUND DEBT		\$69,261,905
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>		
	100.000 %	\$31,865,000
 COMBINED TOTAL DEBT		
		\$459,581,249 ⁽²⁾
<u>Ratios to 2021-22 Assessed Valuation:</u>		
DIRECT DEBT (\$15,255,000)	0.06%	
Total Direct and Overlapping Tax and Assessment Debt.....	1.47%	
Combined Total Debt	1.88%	
 <u>Ratios to Redevelopment Successor Agency Incremental Valuation (\$3,354,684,375):</u>		
TOTAL OVERLAPPING TAX INCREMENT DEBT	0.95%	

(1) Excludes Bonds to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING CITY REVENUES AND APPROPRIATIONS

Principal of and interest on the Bonds are payable from the proceeds of an ad valorem tax levied by the City for the payment thereof. See “THE BONDS” and “SECURITY FOR THE BONDS” above. Articles XIII A, XIII B, XIII C and XIII D of the State Constitution, Propositions 62, 111, and 218 and 1A, and certain other provisions of law discussed below are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the City to levy taxes and spend tax proceeds for operating and other purposes, and it should not be inferred from the inclusion of such materials that these laws impose any limitation on the ability of the City to levy taxes for payment of the Bonds. The tax levied by the City for payment of the Bonds was approved by the City’s voters in compliance with Article XIII A and all applicable laws.

Article XIII A of the State Constitution

On June 6, 1978, California voters approved Proposition 13, which added Article XIII A to the State Constitution. Article XIII A, as amended, limits the amount of any ad valorem tax on real property to one percent of the full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service (i) on indebtedness approved by the voters prior to July 1, 1978, (ii) on bonded indebtedness approved by a two-thirds vote on or after July 1, 1978, for the acquisition or improvement of real property or (iii) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55 percent of the voters voting on the proposition. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under “full cash value,” or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed two percent per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster, and in other minor or technical ways.

Legislation Implementing Article XIII A

Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The one percent property tax is automatically levied by the County and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1989.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the two percent annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

All taxable property is shown at full market value on the tax rolls. Consequently, the tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100 percent of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the State Constitution

In addition to the limits Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual "appropriations limit" imposed by Article XIII B which effectively limits the amount of such revenues those entities are permitted to spend. Article XIII B, approved by the voters in June 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on Bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990, levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

The State and each local government entity have their own appropriations limits. Each year, the limit is adjusted to allow for changes, if any, in the cost of living, the population of the jurisdiction, and any transfer to or from another government entity of financial responsibility for providing services. Proposition 111 requires that each agency's actual appropriations be tested against its limit every two years.

If the aggregate "proceeds of taxes" for the preceding two-year period exceeds the aggregate limit, the excess must be returned to the agency's taxpayers through tax rate or fee reductions over the following two years.

The City has never exceeded its appropriations limit. Because the issuance of the Bonds has been approved by the voters, the tax levy that is required to pay debt service on the Bonds is not subject to the limitations of Article XIII B.

Articles XIII C and XIII D of the State Constitution

On November 5, 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 adds Articles XIII C and XIII D to the California Constitution and contains a number of interrelated provisions affecting the ability of the City to levy and collect both existing and future taxes, assessments, fees and charges. The interpretation and application of Proposition 218 will ultimately be determined by the courts with respect to a

number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Article XIIC requires that all new local taxes be submitted to the electorate before they become effective. Taxes for general governmental purposes of the City require a majority vote and taxes for specific purposes, even if deposited in the City's General Fund, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the City to raise revenues for the General Fund, and no assurance can be given that the City will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Article XIID also adds several provisions making it generally more difficult for local agencies to levy and maintain property-related fees, charges, and assessments for municipal services and programs. These provisions include, among other things, (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel, (ii) a requirement that assessments must confer a "special benefit," as defined in Article XIID, over and above any general benefits conferred, (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party, and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners. If the City is unable to continue to collect these revenues, the services and programs funded with these revenues would have to be curtailed and/or the City's General Fund might have to be used to support them. The City is unable to predict whether or not in the future it will be able to continue all existing services and programs funded by the fees, charges and assessments in light of Proposition 218 or, if these services and programs are continued, which amounts (if any) would be used from the City's General Fund to continue to support these activities.

Article XIIC also removes limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund.

Proposition 62

Proposition 62 was adopted by the voters at the November 4, 1986, general election and (a) requires that any new or higher taxes for general governmental purposes imposed by local governmental entities such as the City be approved by a two-thirds vote of the governmental entity's legislative body and by a majority vote of the voters of the governmental entity voting in an election on the tax, (b) requires that any special tax (defined as taxes levied for other than general governmental purposes) imposed by a local governmental entity be approved by a two-thirds vote of the voters of the governmental entity voting in an election on the tax, (c) restricts the use of revenues from a special tax to the purposes or for the service for which the special tax was imposed, (d) prohibits the imposition of ad valorem taxes on real property by local governmental entities except as permitted by Article XIII A, (e) prohibits the imposition of transaction taxes and sales taxes on the sale of real property by local governmental entities, and (f) requires that any tax imposed by a local governmental entity on or after August 1, 1985, be ratified by a majority vote of the voters voting in an election on the tax within two years of the adoption of the initiative or be terminated by November 15, 1988.

California appellate court cases have overturned the provisions of Proposition 62 pertaining to the imposition of taxes for general government purposes. However, the California Supreme Court upheld Proposition 62 in its decision on August 28, 1995, in *Fresno County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the Supreme Court's decision, such as what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities. The City has not experienced any substantive adverse financial impact as a result of the passage of this initiative.

Proposition 1A

Proposition 1A, proposed by the Legislature in connection with the State's Fiscal Year 2004-05 Budget, approved by the voters in November 2004 and generally effective in Fiscal Year 2006-07, provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature. Proposition 1A provides, however, that beginning in fiscal year 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaims that the shift is needed due to a severe state financial hardship, the shift is approved by two-thirds of both houses and certain other conditions are met. The State may also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also provides that if the State reduces the motor vehicle license fee rate currently in effect, 0.65 percent of vehicle value, the State must provide local governments with equal replacement revenues. Further, Proposition 1A requires the State, beginning July 1, 2005, to suspend State mandates affecting cities, counties and special districts, excepting mandates relating to employee rights, schools or community colleges, in any year that the State does not fully reimburse local governments for their costs to comply with such mandates.

Proposition 1A may result in increased and more stable City revenues. The magnitude of such increase and stability is unknown and would depend on future actions by the State. However, Proposition 1A could also result in decreased resources being available for State programs. This reduction, in turn, could affect actions taken by the State to resolve budget difficulties. Such actions could include increasing State taxes, decreasing spending on other State programs or other action, some of which could be adverse to the City.

Proposition 22

Proposition 22, entitled "The Local Taxpayer, Public Safety and Transportation Protection Act," was approved by the voters of the State in November 2010. Proposition 22 amended the state Constitution to eliminate or reduce the State's authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues. Notwithstanding the passage of Proposition 22, the State successfully dissolved redevelopment agencies.

Possible Future Initiatives

Articles XIII A, XIII B, XIII C and XIII D and Propositions 62, 111, 218 and 1A were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time other initiative measures could be adopted, further affecting revenues of the City or the City's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the City.

LEGAL MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Bond Counsel, subject, however to certain qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes, such interest is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, provided, however, that, for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining certain income and earnings.

The opinions set forth in the preceding sentence are subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986 (the "**Tax Code**") that must be satisfied subsequent to the issuance of the Bonds in order that such interest be, or continue to be, excluded from gross income for federal income tax purposes. The City has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which each Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium is disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of

purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual and corporate alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

California Tax Status. In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Other Tax Considerations. Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Bonds other than as expressly described above.

Form of Opinion. A copy of the proposed form of opinion of Bond Counsel is attached hereto as APPENDIX D.

Continuing Disclosure

The City will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the City by not later than April 1 after the end of each fiscal year of the City (currently June 30), commencing April 1, 2023, with the report for the 2021-22 fiscal year (the "**Annual Report**"), and to provide notices of the occurrence of certain enumerated events.

The specific nature of the information to be contained in an Annual Report or the notices of enumerated events is set forth in the form of Continuing Disclosure Certificate attached as APPENDIX E. These covenants will be made in order to assist the Purchaser (as defined below) in complying with Securities Exchange Commission Rule 15c2-12(b)(5) (the "**Rule**").

The City and its related governmental entities have previously entered into numerous disclosure undertakings under the Rule in connection with the issuance of long-term obligations. See Note 6 of the City's Annual Financial Report attached to this Official Statement as APPENDIX C.

In the previous five years, _____. To ensure compliance with its continuing disclosure undertakings, the City has developed procedures for including all required continuing disclosure information in the supplementary section of its audited financial statements. In addition, the City has engaged Willdan Financial Services to review this information annually to ensure compliance

with its continuing disclosure undertakings, including the undertaking to be entered into in connection with the Bonds.

Neither the County nor any other entity other than the City shall have any obligation or incur any liability whatsoever with respect to the performance of the City's duties regarding continuing disclosure.

Material Litigation

In 2006, voters in the City approved a utility users tax (the "UUT"), which imposes a utility users tax on electricity, natural gas, water and communications, provided findings are made by the City Council every two years that the UUT is necessary for the financial health of the City. On December 28, 2021, a class action lawsuit was filed against the City, alleging that the required findings were not made at any time after June 17, 2014, and that the UUT therefore terminated in 2016. The suit seeks a refund of the UUT collected by the City for the three-year period prior to the filing of the claim, and seeks to invalidate the UUT and prevent the City from collecting the UUT in the future.

Should Plaintiffs succeed in all of their claims for their requested time period, the City could be required to make a one-time refund payment of approximately \$5,900,000 out of its general fund, and would lose approximately \$1,740,000 in annual general fund revenues from the UUT on a going forward basis. Such a payment and reduction in ongoing revenues would materially impact the City's ability to maintain its current operations and reserve levels. The City is not able to predict the outcome of the litigation or provide any assurance that the UUT will not be invalidated. Notwithstanding the impacts that the loss of UUT would have on general fund revenues, the City does not believe the litigation will adversely affect the City's ability to pay debt service on the Bonds because the Bonds are voter-approved general obligations of the City, payable solely from the levy and collection of *ad valorem* property taxes, unlimited as to rate or amount, and are not payable from the general fund of the City.

Other than as described above, no litigation is pending or threatened concerning the validity of the Bonds, and a certificate to that effect will be furnished to the purchasers at the time of the original delivery of the Bonds. The City is not aware of any litigation pending or threatened questioning the political existence of the City or contesting the City's ability to receive ad valorem taxes or to collect other revenues or contesting the City's ability to issue and repay the Bonds.

The City is routinely subject to lawsuits and claims. In the opinion of the City, the aggregate amount of the uninsured liabilities of the City under these lawsuits and claims will not materially affect the financial position or operations of the City. The City may be or may become a party to lawsuits and claims which are unrelated to the Bonds or actions taken with respect to the Bonds and which have arisen in the normal course of operating the City, including as a result of the COVID-19 pandemic. The City maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The City cannot predict what types of claims may arise in the future.

RATING

Upon issuance of the Bonds, Moody's Investors Service ("Moody's"), will assign the Bonds a rating of "___."

The City has furnished to Moody's information and material which has not been included in this Official Statement. Generally, rating agencies base their ratings on information and material so furnished and on investigations, studies and assumptions made by the rating agencies. The ratings reflect only the view of such organization and an explanation of the significance of such rating may be obtained from Moody's

There is no assurance that the rating will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating agency, if, in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

MUNICIPAL ADVISOR

The City has retained Urban Futures, Inc., Walnut Creek, California, as its municipal advisor (the “**Municipal Advisor**”) in connection with the preparation of this Official Statement and with respect to the issuance of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Urban Futures, Inc., is an independent registered municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. The Municipal Advisor’s compensation is contingent upon the delivery of the Bonds.

UNDERWRITING

Purchase of the Bonds. BofA Securities, Inc. (the “**Underwriter**”), has entered into a Bond Purchase Agreement with the City under which it will purchase the Bonds at a purchase price of \$_____ (which is equal to the par amount of the Bonds, plus a original issue premium of \$_____, less an Underwriter’s discount of \$_____, and less \$_____ to be used by the Underwriter to pay the costs of issuing the Bonds).

Offering of the Bonds. The Underwriter intends to offer the Bonds to the public at the offering prices set forth on the inside cover page of this Official Statement. The Underwriter may offer and sell to certain dealers and others at a price lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed from time to time by the Underwriter.

EXECUTION

The execution of this Official Statement and its delivery have been approved by the City Council.

CITY OF MENLO PARK

By: _____
Finance Director

APPENDIX A

GENERAL INFORMATION ABOUT THE CITY OF MENLO PARK AND SAN MATEO COUNTY

The following information concerning the City of Menlo Park (the “City”) and the County of San Mateo (the “County”) is included only for the purpose of supplying general information regarding the area in and around the City. The County, including its Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of the Bonds in accordance with the law; and (ii) transmit the proceeds of such taxes to the paying agent for the payment of the principal of and interest on Bonds at the time such payment is due.

General

The City. The City is located in the southern portion of San Mateo County, on the west side of San Francisco Bay approximately 25 miles south of San Francisco and 25 miles north of San Jose. The mid-peninsula region is one of the most affluent areas in California and is characterized by a growing base of employment. The City is midway between the metropolises of San Francisco and San Jose, California.

Menlo Park began as part of a Spanish Land Grant to Don Luis Antonio Arguello in 1824. Menlo Park was first incorporated in 1874, which incorporation lapsed shortly thereafter due to lack of public services. The City was reincorporated in 1927 as a general law city. It is administered by a Council-Manager form of government. The five City Council members are elected by district for four-year terms.

The incorporated area of the City totals 19 square miles, of which only 6.2 square miles are actually urbanized. The remainder of the area is in bay waters, marshes and salt ponds. The City has a mild moderate climate with a temperature range of 30° to 90° F. January temperature averages range from a minimum of 39° to a maximum of 58° F with several days of rainy weather.

The County. The County is located on the California coast approximately 15 miles south of the City of San Francisco. The County is a major employment base, and is also accessible to the Daly City and Silicon Valley areas approximately 30 miles south via Interstate 280 or U.S. Highway 101. The County has an approximate total area of 741 square miles, of which 448 square miles is land and 293 square miles is water. It is the third-smallest county in California by land area.

The County was formed in 1856 after San Francisco County, one of the state's 18 original counties since California's statehood in 1850, was split apart. Until 1856, San Francisco's city limits extended west to Divisadero Street and Castro Street, and south to 20th Street. In response to the lawlessness and vigilantism that escalated rapidly between 1855 and 1856, the California government decided to divide the county. A straight line was then drawn across the tip of the San Francisco Peninsula just north of San Bruno Mountain; everything south of the line became the new San Mateo County.

Population

The historic population estimates of the cities in the County, as of January 1 of the past five years are shown in the following table:

SAN MATEO COUNTY
Population Estimates
Calendar Years 2017 through 2021 as of January 1

	2017	2018	2019	2020	2021
Atherton	6,945	6,948	6,950	6,942	6,896
Belmont	26,951	26,898	26,808	26,669	26,470
Brisbane	4,653	4,654	4,642	4,621	4,579
Burlingame	30,355	30,318	30,224	30,068	29,746
Colma	1,493	1,476	1,496	1,678	1,659
Daly City	108,599	109,088	109,102	108,767	108,599
East Palo Alto	30,641	30,747	30,716	30,630	30,350
Foster City	32,741	32,746	33,221	33,025	32,842
Half Moon Bay	12,391	12,423	12,444	12,404	12,309
Hillsborough	11,455	11,486	11,444	11,442	11,391
Menlo Park	35,195	35,398	35,279	35,120	34,825
Millbrae	22,986	22,975	22,874	22,742	22,509
Pacifica	38,673	38,632	38,470	38,267	37,890
Portola Valley	4,611	4,614	4,607	4,598	4,560
Redwood City	84,779	84,943	85,686	86,444	85,182
San Bruno	45,423	45,442	45,391	45,392	44,936
San Carlos	29,689	29,713	29,644	30,067	29,814
San Mateo	103,038	103,412	103,140	102,766	103,045
South San Francisco	67,156	67,193	67,070	67,730	67,135
Woodside	5,665	5,670	5,647	5,670	5,628
Balance Of County	65,962	66,151	66,305	66,019	64,880
County Total	769,401	770,927	771,160	771,061	765,245

Source: State Department of Finance estimates (as of January 1).

Employment

The City's principal employers are set forth below:

CITY OF MENLO PARK Principal Employers (As of June 30, 2021)

<u>Company Name</u>	<u>Employment</u>	<u>% of Total City Employment</u>
Facebook, Inc.	18,500	84%
SRI International	784	4
Grail, Inc.	420	2
Intersect, Inc.	345	2
Pacific Biosciences of California	320	1
United Parcel Services	277	1
Exponent	238	1
City of Menlo Park	230	1
Personalis, Inc.	230	1
Safeway Stores Inc	228	1
Top Ten Employers	21,572	98%

Source: City of Menlo Park Annual Comprehensive Financial Report.

The County's major employers are set forth below in alphabetized order.

**COUNTY OF SAN MATEO
Major Employers
(As of March 2022)**

Employer Name	Location	Industry
3SIXTY Bistro	Burlingame	Full-Service Restaurant
Bart Daly City Station	Daly City	Transit Lines
Electric Charging Station	Menlo Park	Research Service
Electronic Arts Inc	Redwood City	Game Designers (mfrs)
Facebook Inc	Menlo Park	Social Media
Fisher Investments	Woodside	Investment Management
Fisher Investments	San Mateo	Investment Management
Forced Dump Debris Box Svc	Burlingame	Garbage Collection
Franklin Resources Inc	San Mateo	Asset Management
Genentech Inc	sSan Francisco	Biotechnology Products & Services
Gilead Sciences Inc	Foster City	Biological Products (mfrs)
Kaiser Permanente Redwood City	Redwood City	Hospitals
Kaiser Permanente South Sn	sSan Francisco	Hospitals
Lsa Global	Redwood City	Training Consultants
Mills-Peninsula Medical Ctr	Burlingame	Hospitals
Palo Alto VA Hosp Med Ctr	Menlo Park	Government-Specialty Hosp Ex Psychiatric
Plateau Systems	San Mateo	Computer Software
San Francisco Intl Airport-Sfo	San Francisco	Airports
San Mateo County Behavior	San Mateo	Government Offices-County
San Mateo County Tax Collector	Redwood City	Tax Return Preparation & Filing
San Mateo Medical Ctr	San Mateo	Hospitals
Sciex LLC	Redwood City	Scientific Apparatus & Instruments-Mfrs
SRI International	Menlo Park	Engineers-Research
Visa Inc	Foster City	Credit Card & Other Credit Plans
Youtube LLC	San Bruno	Online Services

Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2022 1st Edition.

Employment and Industry

The unemployment rate in the San Francisco-Redwood City-South San Francisco MD was 3.3% in January 2022, up from a revised 2.9% in December 2021, and below the year ago estimate of 6.3%. This compares with an unadjusted unemployment rate of 5.5% for California and 4.4% for the nation during the same period. The unemployment rate was 3.4% in San Francisco County, and 3.1% in San Mateo County.

The table below list employment by industry group for San Francisco and San Mateo Counties for the years 2016 to 2020.

**SAN FRANCISCO-REDWOOD CITY-SOUTH SAN FRANCISCO MD
(SAN FRANCISCO AND SAN MATEO COUNTIES)
Annual Average Civilian Labor Force, Employment and Unemployment;
Employment by Industry
(March 2020 Benchmark)**

	2016	2017	2018	2019	2020
Civilian Labor Force ⁽¹⁾	997,100	1,008,600	1,017,700	1,035,900	989,900
Employment	965,300	979,800	993,800	1,013,400	916,700
Unemployment	31,900	28,800	23,800	22,500	73,300
Unemployment Rate	3.2%	2.9%	2.3%	2.2%	7.4%
<u>Wage and Salary Employment:</u> ⁽²⁾					
Agriculture	1,900	1,900	1,700	1,700	1,600
Mining and Logging	100	100	100	100	100
Construction	38,600	39,800	42,400	44,400	42,600
Manufacturing	38,200	39,400	39,000	39,400	36,600
Wholesale Trade	25,900	26,100	26,500	26,000	22,500
Retail Trade	81,200	81,200	80,400	78,400	67,900
Transportation, Warehousing, Utilities	40,500	43,900	47,300	50,600	44,300
Information	70,300	76,600	85,400	97,900	105,400
Finance and Insurance	59,400	59,300	60,900	62,200	62,000
Real Estate and Rental and Leasing	21,000	21,600	22,200	23,800	21,100
Professional and Business Services	262,000	267,000	277,400	288,400	280,200
Educational and Health Services	133,400	136,000	138,900	146,100	141,800
Leisure and Hospitality	141,400	142,400	143,600	147,500	89,400
Other Services	40,700	41,100	41,400	41,500	32,400
Federal Government	17,800	17,600	16,900	16,600	17,000
State Government	35,300	36,100	37,000	37,900	36,800
Local Government	74,600	76,200	77,500	77,100	73,500
Total, All Industries ⁽³⁾	1,082,200	1,106,300	1,138,700	1,179,400	1,075,300

⁽¹⁾ Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

⁽²⁾ Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

⁽³⁾ Totals may not add due to rounding.

Source: State of California Employment Development Department.

Construction Activity

The following tables show a five-year summary of the valuation of building permits issued in the City and the County.

CITY OF MENLO PARK Total Building Permit Valuations (Figures in Thousands)

	2016	2017	2018	2019	2020
<u>Permit Valuation</u>					
New Single-family	\$40,628.7	\$26,838.9	\$63,089.3	\$31,324.2	\$24,075.5
New Multi-family	21,735.2	9,125.0	9,463.6	45,750.0	1,255.9
Res. Alterations/Additions	<u>25,882.2</u>	<u>24,323.5</u>	<u>38,610.5</u>	<u>17,856.8</u>	<u>1,952.0</u>
Total Residential	88,246.1	60,287.4	111,163.4	94,931.0	27,283.4
New Commercial	153,777.7	58,249.8	975,365.2	80,599.1	13,870.8
New Industrial	0.0	0.0	0.0	0.0	0.0
New Other	382.4	14,807.0	17,339.4	3,766.1	789.9
Com. Alterations/Additions	<u>8,158.7</u>	<u>206,680.5</u>	<u>76,290.8</u>	<u>30,279.2</u>	<u>18,290.0</u>
Total Nonresidential	162,318.8	279,737.3	1,068,995.4	114,644.4	32,950.7
New Dwelling Units					
Single Family	37	35	64	38	19
Multiple Family	<u>105</u>	<u>45</u>	<u>33</u>	<u>183</u>	<u>10</u>
TOTAL	142	80	97	221	29

Source: Construction Industry Research Board, Building Permit Summary.

SAN MATEO COUNTY Total Building Permit Valuations (Valuations in Thousands)

	2016	2017	2018	2019	2020
<u>Permit Valuation</u>					
New Single-family	\$367,334.0	\$338,186.5	\$330,908.0	\$486,257.4	\$273,328.3
New Multi-family	252,560.4	210,996.5	195,226.4	322,896.6	154,590.5
Res. Alterations/Additions	<u>395,240.9</u>	<u>503,351.5</u>	<u>424,804.7</u>	<u>365,784.7</u>	<u>310,315.5</u>
Total Residential	1,015,135.3	1,052,534.5	950,939.1	1,174,938.7	738,234.3
New Commercial	716,150.7	1,207,218.1	1,505,602.0	737,402.4	391,778.1
New Industrial	4,954.8	500.0	0.0	0.0	0.0
New Other	196,145.2	135,392.7	77,503.7	63,741.5	64,772.4
Com. Alterations/Additions	<u>728,965.3</u>	<u>1,047,885.6</u>	<u>972,646.5</u>	<u>618,727.3</u>	<u>923,425.0</u>
Total Nonresidential	1,646,216.0	2,390,996.4	2,555,752.2	1,419,871.2	1,379,975.5
New Dwelling Units					
Single Family	458	411	443	497	548
Multiple Family	<u>1,319</u>	<u>1,169</u>	<u>1,046</u>	<u>1,049</u>	<u>439</u>
TOTAL	1,777	1,580	1,489	1,546	987

Source: Construction Industry Research Board, Building Permit Summary.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income for the City, the County, the State and the United States for the period 2018 through 2022:

**CITY OF MENLO PARK, SAN MATEO COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Effective Buying Income
2018 through 2022**

Year	Area	Total Effective Buying Income (000s Omitted)	Median Household Effective Buying Income
2018	City of Menlo Park	\$2,309,550	\$109,935
	San Mateo County	35,362,153	87,101
	California	1,113,648,181	59,646
	United States	8,640,770,229	50,735
2019	City of Menlo Park	\$2,551,302	\$122,705
	San Mateo County	39,578,320	93,319
	California	1,183,264,399	62,637
	United States	9,017,967,563	52,841
2020	City of Menlo Park	\$2,549,741	\$120,864
	San Mateo County	40,511,605	96,614
	California	1,243,564,816	65,870
	United States	9,487,165,436	55,303
2021	City of Menlo Park	\$2,678,898	\$127,143
	San Mateo County	43,397,132	102,641
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	City of Menlo Park	\$2,845,613	\$146,990
	San Mateo County	48,351,364	120,425
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448

Source: The Nielsen Company (US), Inc for 2018; Claritas, LLC for 2019 through 2022.

Commercial Activity

Summaries of historic taxable sales within the City and the County during the past five years in which data is available are shown in the following tables. Figures are not yet available for calendar year 2021.

Total taxable sales during the first three quarters of calendar year 2021 in the City were reported to be \$350,577,682, an 8.29% increase over the total taxable sales of \$323,736,164 reported during the first three quarters of calendar year 2020.

**CITY OF MENLO PARK
Taxable Transactions
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)**

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2016	756	\$301,181	1,345	\$471,558
2017	715	284,429	1,293	540,016
2018	736	298,817	1,420	564,552
2019	732	299,065	1,448	593,990
2020	773	205,995	1,532	458,784

Source: State Department of Tax and Fee Administration.

Total taxable sales during the first three quarters of calendar year 2021 in the County were reported to be \$13,942,300,942, a 24.89% increase over the total taxable sales of \$11,163,237,792 reported during the first three quarters of calendar year 2020.

**SAN MATEO COUNTY
Taxable Transactions
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)**

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2016	12,966	\$10,394,055	21,899	\$15,658,573
2017	12,744	10,949,848	21,534	16,552,584
2018	12,802	11,674,214	22,554	17,547,097
2019	12,817	11,989,035	22,908	18,168,258
2020	13,350	10,542,136	23,985	15,746,083

Source: State Department of Tax and Fee Administration.

Transportation

San Francisco International Airport (“**SFO**”), the “gateway to the Pacific,” is a world-class airport serving tens of millions of domestic and international passengers annually. One of the world’s 30 busiest airports, SFO is committed to setting the standard for our industry. This includes being a leader in safety and security, customer service and satisfaction, community relations, environmental commitment, quality of facilities, and financial and economic vitality. SFO was the first major U.S. airport to achieve 100 percent fully automated and integrated baggage screening. Today, efficient operations ensure that passenger screening wait times are among the shortest in the nation.

The Port of Redwood City is also located in the County. The Port has a deep-water channel and handles bulk cargo including lumber and scrap metal.

The County is connected to downtown San Francisco, the Airport, and the East Bay by the San Francisco Bay Area Rapid Transit (“**BART**”) District.

The County is also served by Caltrain, a commuter rail service between Daly City and San Francisco, running along the Southern Pacific right-of-way.

APPENDIX B

CITY FINANCIAL INFORMATION

The information in this section concerning the operations of the City and the City's general fund finances is provided as supplementary information only, and it should not be inferred from the inclusion of this information in this Official Statement that the principal of or interest on the Bonds is payable from the general fund of the City. The Bonds are payable solely from the proceeds of an ad valorem tax levied by the County, as directed by the City, in an amount sufficient for the payment thereof. Amounts in the City's general fund are not pledged to the payment of the Bonds. See "THE BONDS" and "SECURITY FOR THE BONDS" above.

General

The City is a general law city that was first incorporated in 1874 and reincorporated in 1927. The City is located in the southern portion of San Mateo County (the "**County**"), on the west side of San Francisco Bay approximately 25 miles south of San Francisco and 25 miles north of San Jose.

City Services and Government

The City has operated under the council-manager form of government since its reincorporation in 1927. Policy-making and legislative authority are vested in a five-member governing council consisting of the Mayor and four Councilmembers. The City Council is responsible for, among other things, passing ordinances, adopting the budget, approving the Mayor's nominees to commissions, and hiring both the City's manager and its attorney.

The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The City Council is elected on a non-partisan basis. Councilmembers serve four-year staggered terms, with Councilmembers elected every two years. The Mayor is selected annually from the sitting Councilmembers. All Councilmembers are elected by district.

The City provides a broad range of services, including police, construction and maintenance of streets, parks, storm drains and other infrastructure, building inspections, licenses and permits, recreational and cultural activities, and human services programs. The City also manages franchises for solid waste, cable television, and energy.

Budget Process

The City's budget policies are subject to California State law, generally accepted accounting principles ("**GAAP**"), and actions of the City Council. The budget process enables the City Council to make resource allocation decisions, including choices about staffing, technology, equipment, and priorities to be addressed in the coming fiscal year. The City's Annual Operating Budget is adopted by the City Council by July 1 each year. Although the City Council first reviews the budget in May, the City Manager's Office, the Administrative Services, and other departments begin to prepare it at least six months before that. Throughout the year, staff provides revenue projections and updates on the City's financial performance, and continues to assess City needs. In producing the budget, the Budget Team receives input from the public, City Council, and staff.

At the mid-year budget review that typically takes place in February or March, the Administrative Services Director provides an update to the City Council on the current year's budget and outlines policy issues facing the City. The City Council provides feedback and direction regarding proposed priorities for the future programming of General Fund resources. With this direction and the Administrative Services revenue projections, each department prepares a proposed budget. The Budget Team works closely with department managers to ensure that budgets reflect the City Council's interests, priorities, and goals.

Several weeks before the budget is adopted, the Administrative Services Director presents the budget for the coming year to the City Council, along with information on current year accomplishments and future year goals. Copies of the proposed budget document are available to the public at public hearings, and they are also available in the City Clerk's Office, and on the City's website. The Administrative Services Director presents the budget to the City Council in a televised public forum. Included in the Administrative Services Director's presentation are an update of the City's financial position and General Fund forecast; a review of the national, State, and local economies; a discussion of financial policies; and an update on department activities. After reviewing the proposed budget and receiving public comment at public hearings, the City Council may direct staff to revise the proposed budget. On or before June 30, the City Council votes to adopt the budget, including any revisions to the proposed budget. At any time after the adoption of the budget, the City Council may amend or supplement the budget.

Upon final adoption by the City Council, the budget becomes the legal authorization for the various departments to expend resources, subject to conditions established by the City Manager and City Council. Through a resolution adopted by the City Council, the City Manager is authorized to transfer appropriations as needed from any account in the budget to any other accounts within the same fund to meet overall budget requirements. This resolution further authorizes the City Manager to transfer funds designated as "Transfers" in appropriate increments and intervals. The City Council has adopted several financial and budgetary policies, which address debt, reserves, and spending authorizations, and which help guide long-term planning.

Adopted Budget for Fiscal Year 2021-22

The fiscal year 2021-22 adopted operating budget is balanced and incorporates changes from the previous year's budget to restore lost and reduced services due to the COVID-19 pandemic. One major item of note is the transfer to the general fund from the American Rescue Plan Act fund of \$2.91 million, which eliminates an operating deficit, as general fund expenditures exceed revenues in the near future.

The City's General Fund budget figures for fiscal year 2020-21, estimated actual figures for fiscal year 2020-21, and General Fund adopted budget figures for fiscal year 2021-22 are set forth in the following table. The City's audited financial statements for the fiscal year ended June 30, 2021, are included as APPENDIX C to this Official Statement.

Table B-1
CITY OF MENLO PARK
General Fund Adopted Budgets
For Fiscal Years 2020-21 and 2021-22
(Dollars in Millions)

	Estimated Actuals 2021-22	Adopted Budget 2021-22
Revenue		
Taxes	\$40,036,406	\$47,469,157
Charges for Services	5,895,638	4,434,716
Licenses & Permits	4,653,741	3,956,000
Other Financing Sources	597,599	2,958,683
Franchise Fees	2,137,124	2,337,020
Use of Money and Property	1,479,221	1,513,549
Fines	408,572	135,000
Other Revenue	127,454	125,000
Inter Governmental Revenue	1,923,457	47,400
Total	\$57,259,214	\$62,976,525
Expenditures		
Salaries and Wages	\$25,118,295	\$27,036,491
Fringe Benefits	13,278,117	13,299,285
Services	6,391,893	8,706,618
Operating Expenses	5,726,344	6,791,685
Transfers	5,905,265	3,319,800
Utilities	1,681,882	1,628,204
Repairs & Maintenance	945,562	1,013,701
Fixed Assets & Capital Outlay	302,010	338,460
Special Projects Expenditures	282,070	286,950
Rental of land and buildings	50,675	148,400
Travel	15,836	71,320
Project Control	-	30,000
Total	\$59,697,950	\$62,670,914

Source: City of Menlo Park.

State Budget and Its Impact on the City

General. Information about the fiscal year 2021-22 adopted State budget and other State budgets are regularly available at <http://www.ebudget.ca.gov>. An impartial analysis of the budget is posted by the Legislative Analyst Office at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets, may be found at the website of the State Treasurer, www.treasurer.ca.gov.

The information referred to in this paragraph is prepared by the respective State agency maintaining each website and not by the City or Purchaser, and the City and Purchaser take no

responsibility for the continued accuracy of the Internet addresses or for the accuracy or timeliness of information posted there, and such information is not incorporated in this Official Statement by these references.

Future State Budgets. The City cannot predict what actions will be taken in future years by the State Legislature and the Governor to address a State budget deficit. Future State budgets will be affected by national and state economic conditions and other factors over which the City has no control. To the extent that the State budget process results in reduced revenues to the City, the City will be required to make adjustments to its budget. Decrease in such revenues may have an adverse impact on the City's ability to pay the Bonds.

Financial Statements

The accounting policies of the City conform to generally accepted accounting principles. The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting; (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting; and (iv) required supplementary information.

Accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. There are three groups of funds: governmental funds (which include the General Fund), proprietary funds (which include internal service funds) and fiduciary funds (which are used to account for resources held for the benefit of parties outside the City). Information is presented separately in the governmental statement of revenues, expenditures, and changes in fund balances for the General Fund and the other major funds. Data for the non-major funds are combined into a single aggregated presentation.

All governmental funds and fiduciary funds use the modified accrual basis of accounting. The proprietary funds use the accrual basis of accounting. The General Fund is the general operating fund of the City and is used to account for all financial resources except those required to be accounted for in a separate fund.

In fiscal year 2014-15, the City implemented GASB Statements No. 68 and 71. These statements establish standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and pension plan expenses. GASB Statements No. 68 and No. 71 do not change the pension funding obligations of the City and have had no effect on the General Fund.

The City's most recent audited financial statements are included in the Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2021, which is attached as APPENDIX C to this Official Statement. The financial statements were prepared by the City and audited by Lance, Soll & Lunghard, LLP (the "**Auditor**").

The Financial Statements should be read in their entirety. *The City has neither requested nor obtained permission from the Auditor to include the audited financial statements as an*

appendix to this Official Statement. Accordingly, the Auditor has not performed any post-audit review of the financial condition or operations of the City or General Fund. In addition, the Auditor has not reviewed this Official Statement.

Set forth on the following pages are (i) a general fund balance sheet for fiscal years 2017-18 through 2020-21 and (ii) a statement of revenues, expenditures and changes in fund balances for the City's general fund for the same period.

**Table B-2
CITY OF MENLO PARK
General Fund Balance Sheet**

	Audited 2017-18	Audited 2018-19	Audited 2019-20	Audited 2020-21
Assets:				
Cash and investments held by City	\$37,150,640	\$44,610,050	\$46,522,704	\$44,205,674
Receivables:				
Accounts	2,936,269	3,543,534	1,502,393	1,931,882
Notes	1,339,846	--	--	--
Interest	210,166	335,041	271,317	194,690
Deposits and prepaid items	64,919	31,476	18,687	458,698
Due from other governments	1,922,859	1,716,648	1,511,599	1,974,707
Due from other funds	693,119	311,324	274,719	364,863
Total assets	44,317,818	50,548,073	50,101,419	49,130,514
Liabilities:				
Accounts payable	2,241,596	2,170,412	2,007,016	3,634,527
Accrued payroll and related liabilities	675,690	761,199	914,490	1,979,099
Unearned revenue	558,090	1,156,914	699,000	988,168
Deposits	3,364,352	3,894,073	4,177,041	4,034,436
Due to other funds	--	--	--	--
Total liabilities	6,839,728	7,983,455	7,797,547	10,636,230
Deferred inflows of resources:				
In-lieu agreement payments	--	--	--	--
Unavailable revenue	362,002	106,000	782,550	273,918
Total deferred inflows of resources	362,002	106,000	782,550	273,918
Fund Balance:				
Nonspendable	1,404,765	31,476	18,687	458,698
Restricted	--	--	--	--
Committed	25,600,000	28,980,000	27,918,200	28,950,860
Assigned	6,214,219	7,040,221	7,177,514	4,010,180
Unassigned	3,897,104	6,406,921	6,406,921	4,800,628
Total fund balances	37,116,088	42,458,618	41,521,322	38,220,366
Total liabilities, deferred inflows of resources and fund balances	\$44,317,818	\$50,548,073	\$50,101,419	\$49,130,514

Source: City of Menlo Park Annual Comprehensive Financial Reports.

Table B-3
CITY OF MENLO PARK
Statement of General Fund Revenues, Expenditures and Changes in Fund Balance

	<u>Audited</u> <u>2017-18</u>	<u>Audited</u> <u>2018-19</u>	<u>Audited</u> <u>2019-20</u>	<u>Audited</u> <u>2020-21</u>
<u>Revenues:</u>				
Taxes:	\$41,260,918	\$49,472,104	\$47,629,234	\$43,737,631
Licenses and permits	6,740,335	3,485,429	2,326,200	3,063,815
Intergovernmental	1,392,765	1,532,390	1,640,825	1,957,360
Charges for services	9,940,815	11,493,149	9,607,262	5,697,303
Use of money and property	1,413,688	2,471,829	3,055,307	949,463
Fines and forfeitures	150,112	1,482,275	733,053	436,753
Contributions	--	250,000	--	--
Miscellaneous/Other	91,792	41,232	81,482	125,883
Total revenues	60,990,425	70,228,408	65,073,363	55,968,208
<u>Expenditures:</u>				
Current:				
General government	7,223,321	7,221,777	9,948,748	8,149,269
Public safety	17,818,423	19,021,612	19,614,650	18,358,323
Community development	5,858,732	6,401,074	5,503,474	6,119,266
Culture and recreation	11,214,276	12,715,462	12,463,101	9,921,620
Public works	10,123,814	11,478,029	11,562,448	11,051,302
Urban development and housing	8,244	70,593	96,261	127,947
Capital outlay	244,446	185,206	222,658	233,771
Debt service:				
Principal	--	--	--	--
Interest and fiscal charges	--	--	--	--
Total expenditures	52,491,256	57,093,753	59,411,340	53,961,498
Excess of revenues over (under) expenditures	8,499,169	13,134,655	5,662,023	2,006,710
<u>Other financing sources (uses):</u>				
Transfers in	482,795	504,375	547,200	567,500
Transfers out	(5,089,894)	(8,296,500)	(7,146,519)	(5,875,166)
Proceeds from sale of assets	5,603	--	--	--
Total other financing sources (uses)	(4,601,496)	(7,792,125)	(6,599,319)	(5,307,666)
Net change in fund balance	3,897,673	5,342,530	937,296	(3,300,956)
Fund balance - July 1	33,218,415	37,116,088	42,458,618	41,521,322
Fund balance - June 30	\$37,116,088	\$42,458,618	\$41,521,322	\$38,220,366

Source: City of Menlo Park Annual Comprehensive Financial Reports.

Major Revenues

General. Taxes and other sources of revenue received by the City are listed in the table below, which presents the major revenues of the City’s General Fund for the last four audited fiscal years and the estimated actuals for fiscal year 2018-19.

Certain general taxes currently imposed by the City are affected by Proposition 218. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIIC and Article XIID of the State Constitution.”

**Table B-4
CITY OF MENLO PARK
Major Revenues by Source – General Fund
(Dollars in thousands)**

	Audited 2017-18	Audited 2018-19	Audited 2019-20	Audited 2020-21	Budgeted 2021-22 ⁽¹⁾	% of 2021-22 Total
Property Tax	\$23,135,956	\$26,066,433	\$28,478,935	\$28,146,419	\$30,046,645	63%
Sales Tax	7,215,357	7,156,070	6,922,306	6,659,717	6,797,462	14%
Transient Occupancy Tax	7,770,969	10,296,163	7,823,528	3,253,778	8,889,940	19%
Other Taxes	9,921,476	9,124,553	9,168,081	5,677,718	1,735,110	4%
Major Revenues	\$48,043,758	\$52,643,219	\$51,852,850	\$43,737,631	\$47,469,157	100.0%

(1) Budgeted.

Source: Fiscal Year 2020-21 Annual Comprehensive Financial Report and 2021-22 Adopted Budget.

Property Taxes

General. This section describes property tax levy and collection procedures and certain information regarding historical assessed values and major property tax payers in the City.

Property taxes represent the largest source of tax revenue to the City (approximately 60% of all General Fund revenues in fiscal year 2020-21). The City has projected to receive approximately \$29.86 million in property tax revenue for fiscal year 2021-22. See “ – Assessed Valuation” below.

Property taxes have historically been the primary revenue source affected by voter initiatives and legislative actions. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS” and “BOND OWNERS’ RISKS – Limitations on Taxes and Fees.”

Impacts of COVID-19. While there is still substantial uncertainty surrounding the ultimate impacts of COVID-19, property taxes are expected to increase by 6% in fiscal year 2021-22.

ERAF Shift Legislation. Certain property taxes have been shifted from local government agencies to schools by the State Legislature for deposit in the Education Revenue Augmentation Fund (“ERAF”), a shift that has resulted in diversion of City property taxes since fiscal year 1992-93. The primary change for the City in property tax receipts is a result of a potential change to the distribution formula used for excess Educational Revenue Augmentation Fund (“ERAF”) and property tax in lieu of vehicle license fees, both currently pending evaluation with the County and

State. Changes in the distribution formulas may reduce total property tax receipts by up to \$2.36 million in fiscal year 2021-22. Additionally, the City has maintained a policy of budgeting only 50% of excess ERAF, considering it an endangered revenue source.

Levy and Collection. Property taxes are levied for each fiscal year on taxable real and personal property as of the preceding January 1. For assessment and collection purposes, property is classified either as “secured” or “unsecured” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State-assessed public utilities property and real property the taxes on which are a lien sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the “unsecured roll.”

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to all delinquent payments. Property on the secured roll with respect to which taxes are delinquent become tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property may be sold at public auction.

Property taxes on the unsecured roll are due as of the January 1 lien dates and become delinquent on the following August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The County has four ways of collecting delinquent unsecured personal property taxes: (1) a civil action against the taxpayer; (2) filing a judgment in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder’s office in order to obtain a lien on certain property of the taxpayer; and (4) seizure and sale of personal property, improvements or possessory interests belonging or assessed to the assessee.

Assessed Valuation. All property is assessed using full cash value as defined by Article XIII A of the State Constitution. State law provides exemptions from *ad valorem* property taxation for certain classes of property such as churches, colleges, non-profit hospitals, and charitable institutions. Future assessed valuation growth allowed under Article XIII A of the State Constitution (new construction, certain changes of ownership, 2% inflation) will be allocated on the basis of “situs” among the jurisdictions that serve the tax rate area within which the growth occurs. Local agencies and schools will share the growth of “base” revenues from the tax rate area. Each year’s growth allocation becomes part of each agency’s allocation in the following year. See “CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS.”

Assessed Valuation History. Table 1, in the main body of this Official Statement, shows a recent history of the City’s assessed valuation.

Major Property Taxpayers. Table 6, in the main body of this Official Statement, shows the principal property taxpayers in the City as determined by their secured assessed valuations in fiscal year 2021-22.

Proposition 13 and Proposition 8 Property Value Adjustments. Proposition 13, adopted in 1978, established the base year value concept for property tax assessments. Under

Proposition 13, the 1975-1976 fiscal year serves as the original base year used in determining the assessment for real property. Thereafter, annual increases to the base year value are limited to the inflation rate, as measured by the California Consumer Price Index, or 2%, whichever is less. A new base year value, however, is generally established whenever a property, or portion thereof, has had a change in ownership or has been newly constructed.

Proposition 8, enacted in 1978, allows for a temporary reduction in assessed value when a property suffers a “decline-in-value.” As of January 1st (lien date) each year, the Assessor must enroll either a property’s Proposition 13 value (adjusted annually for inflation by no more than 2%) or its current market value, whichever is less. When the current market value replaces the higher Proposition 13 value, the lower value is commonly referred to as a “Proposition 8 Value.” “Proposition 8 values” are temporary and, once enrolled, must be reviewed annually by the assessor until the Proposition 13 adjusted base year value is enrolled.

Teeter Plan. The Board of Supervisors of the County has approved the implementation of the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “**Teeter Plan**”), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. Under the Teeter Plan, the County apportions secured property taxes on an accrual basis when due (irrespective of actual collections) to local political subdivisions, including the City, for which the County acts as the tax-levying or tax-collecting agency. See “PROPERTY TAXATION – Tax Levies and Delinquencies” for additional details.

Transient Occupancy Taxes

Transient occupancy taxes represented approximately 7% of major General Fund tax revenues in fiscal year 2020-21. Transient occupancy tax (also known as a hotel tax) is the tax added to short term rental guest bills for stays of fewer than 30 days. This category of taxes was significantly impacted by the COVID-19 pandemic and the near complete suspension of business and leisure travel beginning in March 2020. The City expects these taxes to rebound quickly, though it remains to be seen whether the demand for business travel will be reduced as telework remains an option for many people.

Beginning July 1, 2013, for the privilege of occupancy in any hotel in the City, each transient pays a tax in the amount of 12% of the rent charged by the renter at the time the rent is paid. Transient occupancy taxes have increased in recent years as a result of higher occupancy and average room rates for most short-term rentals, as well as the opening of new facilities.

While the number of hotel rooms and the average nightly rate are likely to increase as a result of new hotels in the City, the hotel industry is dependent on a strong local economy. The City has budgeted \$8.89 million in transient occupancy tax revenue for fiscal year 2021-22, up 88% from fiscal year 2020-21.

Sales and Use Taxes

Sales and use taxes represent approximately 15% of major General Fund tax revenues in fiscal year 2020-21. Sales tax revenue has been a revenue in decline for the past demand in terms of share of overall revenue, even prior to the onset of the COVID-19 pandemic, which resulted in the temporary or permanent closure of many sales tax sources. Given the expectation that sales taxes will return rapidly as sales tax sources reopen and due to pent up demand, the City has budgeted to receive \$6.80 million in sales tax revenue for fiscal year 2021-22.

Sales Tax Rates. The City collects a percentage of taxable sales in the City (minus certain administrative costs imposed by the State Board of Equalization) pursuant to the Bradley-Burns Uniform Local Sales and Use Tax (the “**Sales Tax Law**”), as shown below.

Currently, taxable transactions in the City are subject to the following sales and use tax, of which the City’s share is only a portion. The State collects and administers the tax, and makes distributions on taxes collected within the City, as follows:

**Table B-5
CITY OF MENLO PARK
Sales Tax Rates
Fiscal Year 2021-22**

<u>Component</u>	<u>Rate</u>
State-Wide Tax Rate	7.25%
San Mateo County	2.125
Total City of Menlo Park Tax Rate	9.375%

Source: California State Board of Equalization.

Sales and use taxes are complementary taxes; when one applies, the other does not. In general, the statewide sales tax applies to gross receipts of retailers from the sale of tangible personal property in the State of California. The use tax is imposed on the purchase, for storage, use or other consumption in the State of tangible personal property from any retailer. The use tax generally applies to purchases of personal property from a retailer outside the State of California where the use will occur within the State of California. The Sales Tax is imposed upon the same transactions and items as the statewide sales tax and the statewide use tax.

Certain transactions are exempt from the State sales tax, including sales of the following products:

- food products for home consumption;
- prescription medicine;
- newspapers and periodicals;
- edible livestock and their feed;
- seed and fertilizer used in raising food for human consumption; and
- gas, electricity and water when delivered to consumers through mains, lines and pipes.

This is not an exhaustive list of exempt transactions. A comprehensive list can be found in the State Board of Equalization’s Publication No. 61 entitled “Sales and Use Taxes: Exemptions and Exclusions,” which can be found on the State Board of Equalization’s website at <http://www.boe.ca.gov/>. *The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City and is not incorporated in this Official Statement by reference.*

Sales Tax Collection Procedures. Collection of the sales and use tax is administered by the California State Board of Equalization. Under the Sales and Use Tax Law, all sales and use taxes collected by the State Board of Equalization under a contract with any city, city and

county, redevelopment agency, or county are required to be transmitted by the Board of Equalization to such city, city and county, redevelopment agency, or county periodically as promptly as feasible. These transmittals are required to be made at least twice in each calendar quarter.

Under its procedures, the State Board of Equalization projects receipts of the sales and use tax on a quarterly basis and remits an advance of the receipts of the sales and use tax to the City on a monthly basis. The amount of each monthly advance is based upon the State Board of Equalization's quarterly projection. During the last month of each quarter, the State Board of Equalization adjusts the amount remitted to reflect the actual receipts of the sales and use tax for the previous quarter.

According to the State Board of Equalization, it distributes quarterly tax revenues to cities, counties and special districts using the following method:

Using the prior year's like quarterly tax allocation as a starting point, the State Board of Equalization first eliminates nonrecurring transactions such as fund transfers, audit payments and refunds, and then adjusts for growth, in order to establish the estimated base amount. The State Board of Equalization disburses 90% to each local jurisdiction in three monthly installments (advances) prior to the final computation of the quarter's actual receipts. Ten percent is withheld as a reserve against unexpected occurrences that can affect tax collections (such as earthquakes, fire or other natural disaster) or distributions of revenue such as unusually large refunds or negative fund transfers. The first and second advances each represent 30% of the 90% distribution, while the third advance represents 40%. One advance payment is made each month, and the quarterly reconciliation payment (clean-up) is distributed in conjunction with the first advance for the subsequent quarter. Statements showing total collections, administrative costs, prior advances and the current advance are provided with each quarterly clean-up payment.

The Board of Equalization receives an administrative fee based on the cost of services provided by the Board to the City in administering the City's sales tax, which is deducted from revenue generated by the sales and use tax before it is distributed to the City.

Historical Composition of Sales Tax Revenue. A historical summary of sales tax composition by category is shown in the following table. The data presented show the full value of the City's 1.0% share of sales taxes under the Sales Tax Law, and do not reflect the State's

“triple-flip” adjustments, administrative fees, or the 5% of the City’s revenue allocable to San Mateo County.

**Table B-6
CITY OF MENLO PARK
Sales Tax Revenue by Category**

Category	2016-17	2017-18	2018-19	2019-20	2020-21
Business and Industry	1,464,710	1,624,682	2,134,664	2,221,013	2,278,655
Autos and Transportation	111,628	63,310	51,833	51,833	51,833
General Consumer Goods	976,800	1,056,753	896,130	737,001	757,028
Restaurants and Hotels	1,082,109	1,161,420	1,281,832	975,591	678,087
Building and Construction	346,260	328,728	282,067	282,067	282,067
Fuel and Service Stations	527,599	614,629	709,119	480,603	401,830
Food and Drugs	581,019	593,047	750,749	729,169	666,896
County Pool	993,017	943,109	1,413,714	1,685,803	1,657,934
State Pool	2,862	2,765	3,499	3,162	3,886
Transfers and Unidentified	(330,920)	(1,163,883)	(367,537)	(243,937)	(118,498)
Total	5,755,084	5,224,560	7,156,070	6,922,306	6,659,717

Source: *City of Menlo Park.*

Other Sources. The City also collects additional General Fund revenues from franchise fees, license and permit fees, and other more minor sources.

Long-Term Obligations

General Obligation Bonds. As of June 30, 2021, the City had \$15,780,000 in long-term debt outstanding. Following is a summary schedule of outstanding debt:

	<u>Balance June 30, 2021</u>
General Obligation Bonds:	
2012 General Obligation Refunding Bonds	\$6,315,000
2019 General Obligation Refunding Bonds	<u>9,465,000</u>
Subtotal	\$15,780,000

Source: *City of Menlo Park.*

Community Development Agency Bonds. In addition to the above general obligations, the City serves as fiduciary for debt issued by the Successor Agency of the former redevelopment area of the City (the “Successor Agency”) for the Las Pulgas Redevelopment Project area. As of June 30, 2021, the Successor Agency’s outstanding debt was \$40.71 million. The County of San Mateo provides the Successor Agency with sufficient revenue on an annual basis to meet current year debt service requirements.

Employee Relations

There are approximately 245 full and part-time employees of the City, represented by formal labor organizations or not represented, as shown in the table below.

Labor Group	Number of Employees	Contract Expiration Date
Service Employees International (SEIU) Local 521	141	06/30/2023
Menlo Park Police Officers' Association (POA)	34	08/31/2024
American Federation of State, County and Municipal Employees (AFSCME) Local 829	36	06/30/2023
Menlo Park Police Sergeants Association (PSA)	8	06/20/2022
Not represented	26	
Total	245	

Risk Management

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City participates in pooled insurance programs offered by the Bay Cities Joint Powers Insurance Authority (“**BCJPIA**”) for losses in excess of specific program deductibles. The purpose of the pool is to provide certain levels of liability coverage, claims administration, and loss control support to member Cities. The bylaws of the BCJPIA, the risk coverage agreement, and an associated memorandum of coverage govern the rights and responsibilities of the BCJPIA’s 19 members. Each member chooses its self-insured liability retention levels. Each member has a vote in approving the pool’s self-insured retention level, in setting the coverage limits, in establishing the level of pool reserves and in approving the premium allocation methodology used for setting the premiums for each member.

The City’s liability program has a per claim deductible of \$250,000 and a policy limit of \$29,000,000. The employment practices program has a per claim deductible of \$250,000 and a policy limit of \$1,000,000. The property and fire program has a per claim deductible of \$10,000 and a policy limit of replacement value.

The City’s workers’ compensation program has a per claim deductible of \$350,000 and through BCJPIA, pooled coverage and reinsurance up to statutory limits.

Claims for long-term disability are covered by standard insurance.

Estimated reserves for all claims are recorded in internal service funds. No claim settlement has exceeded the coverage amounts in place for any of the years shown. The amount of claims due in one year from June 30, 2021, is estimated to total \$951,766.

See Note 8 in the City’s fiscal year 2020-21 audited financial statements, which are attached to this Official Statement as APPENDIX C, for additional information about the City’s risk management practices.

Employee Retirement System

This caption contains certain information relating to California Public Employees’ Retirement System (“CalPERS”). The information is primarily derived from information produced by CalPERS, its independent accountants and actuaries. The City has not independently verified the information provided by CalPERS and makes no representations and expresses no opinion as to the accuracy of the information provided by CalPERS.

The annual comprehensive financial reports of CalPERS are available on its Internet website at www.calpers.ca.gov. The CalPERS website also contains CalPERS’ most recent actuarial valuation reports and other information concerning benefits and other matters. Such information is not incorporated by reference in this Official Statement. None of the Authority, City or Purchaser can guarantee the accuracy of such information. Actuarial assessments are “forward-looking” statements that reflect the judgment of the fiduciaries of the pension plans, and are based upon a variety of assumptions, one or more of which may not materialize or may be changed in the future. Actuarial assessments will change with the future experience of the pension plans.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees’ Retirement System (“CalPERS”), which acts as a common investment and administrative agent for its participating member employers. All safety qualified permanent and probationary employees are eligible to participate in the City’s Safety Plan, a cost-sharing multiple-employer defined benefit pension plan, administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers.

Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<u>Miscellaneous Classic</u>	<u>Miscellaneous Second Tier Classic</u>	<u>Miscellaneous PEPR</u>
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	52
Monthly benefits, as a % of annual salary	2.70% at age 55	2.00% at age 60	2.00% at age 62
Required employee contribution rates	7.322%	7.000%	6.750%

Required employer contribution rates	10.072%	10.072%	10.072%
Required UAL payment	\$2,649,728	--	--

	Safety Classic	Safety Second Tier Classic	Safety PEPR
Hire Date	Prior to January 1, 2013	On or after January 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	55	57
Monthly benefits, as a % of annual salary	3.00%	3.00%	2.70%
Required employee contribution rates	9.000%	9.000%	12.000%
Required employer contribution rates	21.927%	18.928%	13.03%
Required UAL payment	\$1,65,796	--	\$4,969

Source: City of Menlo Park Annual Comprehensive Financial Reports.

Employees Covered. As of June 30, 2021, there were 246 inactive employees currently receiving benefit payments, 222 active employees and 468 total participants for the Miscellaneous Plan. The City's labor contracts for miscellaneous employees have a cost sharing component which requires the City to pay [50%] of the employer contribution above [14.597%] for the Service Employees International Union or [15.850%] for the American Federation of State, County and Municipal Employees. The City's labor contracts for safety employees have a cost sharing component which require first and second tier employees to make an additional [3%] contribution and PEPR employees to contribute the greater of [12% or 50%] of costs to the City. See "CITY FINANCIAL INFORMATION – Employee Relations." [CONFIRM/UPDATE]

Contributions. Section 20814 (C) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2021, the employer contributions recognized as a reduction to the net pension liability were \$5,714,049 and \$3,519,360, for the Miscellaneous plan and the Safety plan, respectively.

Actuarial Assumptions. The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedure. The following actuarial methods and assumptions, applied to all periods unless otherwise specified: the actuarial cost method used was entry age normal, the discount rate was 7.15%, inflation was 2.50%, and salary increases vary by entry age and service. The mortality rate was derived using CalPERS' Membership Data for all funds. The mortality table used was developed based on CalPERS' specific data and includes 15 years of mortality improvements using society of Actuaries Scale

90% of scale MP 2016. The post retirement benefit increase used contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.

The discount rate will be lowered for future actuarial valuations. See “- *Recent Actions Taken by CalPERS.*”

Changes in Pension Liability-Miscellaneous Plan. The changes in pension liability of the City as of June 30, 2021, is shown in the following table:

CHANGES IN TOTAL PENSION LIABILITY

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019	\$141,085,627	\$107,999,171	\$33,086,456
Changes in the year:			
Service Cost	3,296,079	--	3,296,079
Interest on total pension liability	10,105,458	--	10,105,458
Difference between actual and expected	2,204,389	--	2,204,389
Employer Contributions	--	5,792,309	(5,792,309)
Employee Contributions	--	1,491,043	(1,491,043)
Net Investment Income	--	5,432,316	(5,432,316)
Administrative Expenses	--	(152,252)	152,252
Benefit Payments	(7,205,963)	(7,205,963)	--
Net Changes	8,399,963	5,357,453	3,042,510
Balance at June 30, 2020	\$149,485,590	\$113,356,624	\$36,128,966

Source: City of Menlo Park Annual Comprehensive Financial Reports.

As of June 30, 2021 the City reported a net pension liability of \$29,497,100 for its proportionate share of the net pension liability of the Safety Plan.

The City’s proportionate share of the net pension liability of the safety risk pool for the Safety Plan as of measurement dates June 30, 2019 and 2020 were as follows:

Proportion-June 30, 2019	0.268420%
Proportion-June 30, 2020	0.271102%
Change-Increase (Decrease)	0.002682%

Pension Expense. For the year ended June 30, 2021, the City recognized a pension expense of \$6,290,218 and \$4,943,853, for the Miscellaneous and Safety plan, respectively. For additional information about the City’s other postemployment benefits, see Notes 12 and 13 of the City’s audited financial statements for fiscal year ended June 30, 2021, attached to the Official Statement as APPENDIX C.

Recent Actions Taken by CalPERS. At its April 17, 2013, meeting, CalPERS’ Board of Administration (the “**CalPERS Board**”) approved a recommendation to change the CalPERS amortization and smoothing policies. Prior to this change, CalPERS employed an amortization and smoothing policy that spread investment returns over a 15-year period with experienced gains and losses paid for over a rolling 30-year period. After this change, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a 20-year period with a five-year ramp-up, and five-year ramp-down, period. The new amortization and smoothing policy was used for the first time in the June 30, 2013, actuarial valuations in setting employer contribution rates for fiscal year 2015-16.

On February 18, 2014, the CalPERS Board approved new demographic actuarial assumptions based on a 2013 study of recent experience. The largest impact, applying to all benefit groups, is a new 20-year mortality projection reflecting longer life expectancies and that longevity will continue to increase. Because retirement benefits will be paid out for more years, the cost of those benefits will increase as a result. The Board of Administration also assumed earlier retirements for Police 3%@50, Fire 3%@55, and Miscellaneous 2.7%@55 and 3%@60, which will increase costs for those groups. As a result of these changes, rates will increase beginning in fiscal year 2016-17 (based on the June 30, 2014 valuation) with full impact in fiscal year 2020-21.

On November 18, 2015, the CalPERS Board adopted a funding risk mitigation policy intended to incrementally lower its discount rate – its assumed rate of investment return – in years of good investment returns, help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. The policy establishes a mechanism to reduce the discount rate by a minimum of 0.05 percentage points to a maximum of 0.25 percentage points in years when investment returns outperform the existing discount rate, currently 7.5%, by at least four percentage points. CalPERS staff modeling anticipates the policy will result in a lowering of the discount rate to 6.5% in about 21 years, improve funding levels gradually over time and cut risk in the pension system by lowering the volatility of investment returns. More information about the funding risk mitigation policy can be accessed through CalPERS' web site at the following website address:

<https://www.calpers.ca.gov/page/newsroom/calpers-news/2015/adopts-funding-risk-mitigation-policy>

The reference to this Internet website is provided for reference and convenience only. The information contained within the website may not be current, has not been reviewed by the City and is not incorporated in this Official Statement by reference.

On December 21, 2016, the CalPERS Board voted to lower its discount rate from the current 7.5% to 7.0% over the next three years according to the following schedule.

<u>Valuation Date</u>	<u>Fiscal Year Required Contribution</u>	<u>Discount Rate</u>
June 30, 2016	2018-19	7.375%
June 20, 2017	2019-20	7.250
June 30, 2018	2020-21	7.000

For public agencies like the City, the new discount rate will increase contribution costs beginning in fiscal year 2018-19. Lowering the discount rate means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities. Active members hired after January 1, 2013, under the Public Employees' Pension Reform Act will also see their contribution rates rise. The three-year reduction of the discount rate will result in average employer rate increases of about 1 percent to 3 percent of normal cost as a percent of payroll for most miscellaneous retirement plans, and a 2 percent to 5 percent increase for most safety plans. Additionally, many CalPERS employers will see a 30 to 40 percent increase in their current unfunded accrued liability payments. These payments are made to amortize unfunded liabilities over 20 years to bring the pension fund to a fully funded status over the long-term.

On November 15, 2021 the CalPERS Board selected a new asset allocation mix that will guide the fund's investment portfolio for the next four years, while at the same time retaining the reduction of discount rate from 7.0% to 6.8%. Notable changes for employers include a decrease in median total employer contribution rates, from less than 1% in miscellaneous plans to a decrease of more than 2% in some safety plans. Contribution changes will take effect in fiscal year 2023-24 for public agencies.

Other Post-Employment Benefits (“OPEB”)

Plan Description. The City sponsors and administers a single-employer defined benefit postemployment healthcare plan (the Plan) to provide healthcare insurance benefits to eligible retired employees and their dependents. Benefit provisions are established and may be amended by the City.

The City participates in the CalPERS healthcare program (“**PEMHCA**”) and allows retirees to continue participation in the medical insurance program after retirement. The following summarizes the retiree healthcare benefits:

PEMHCA Minimum: The City pays the PEMHCA minimum required employer contribution for retirees participating in PEMHCA towards the retiree monthly premium.

Retiree Health Benefit Credits (“RHBC”): Employees can convert unused sick or general leave balance (up to a maximum) to RHBC at retirement. The City pays retiree medical or dental coverage based on RHBC. Sick leave hour accrual and RHBC conversion rates vary by bargaining unit and service.

Implied Subsidy: An implied subsidy generally exists when retiree premiums are based on blended active and retiree experience. In May 2014, the American Academy of Actuaries released a new version of Actuarial Standard of Practice No. 6 (ASOP No. 6). The revised ASOP No. 6 requires the implied subsidy to be valued for community plans such as PEMHCA.

Membership of OPEB as of June 30, 2021 was 119 inactive employees currently receiving benefit payments, 236 active employees and 355 total participants.

Contributions. The City pre-funds the Plan through CalPERS OPEB Trust (“**CERBT**”) by contributing the City's Annual Required Contribution (“**ARC**”) every year. For the measurement period 2019-20, the City contributed \$931,457, including \$760,437 in benefit payments, \$168,000 in implicit rate subsidy, and a \$3,020 of expenses paid outside of the trust.

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (“**IRC**”) Section 115, established to prefund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

Actuarial Assumptions. The City's net OPEB asset was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation of June 30, 2019 and was determined using the following actuarial methods and assumptions, applied to all periods unless otherwise specified: the actuarial cost method used was entry age normal, the discount rate was 6.75%, inflation was 2.75%, the contribution policy was the full actuarially determined contribution amount, salary increases vary by entry age and

service, projected salary increase was 3.00%, investment rate of return was 6.75%, the mortality rate was based on the CalPERS 1997-2015 Experience Study, the post-retirement benefit increase was based on the post-retirement mortality projected fully generational with Scale MP-2019, the healthcare trend rate for Non-Medicare was 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years and the healthcare trend for Medicare was 6.3% for 2021, decreasing to an ultimate rate of 4.0% in 2076.

Changes in OPEB Liability of the City. The changes in OPEB liability of the City as of June 30, 2021, is shown in the following table:

CHANGES IN TOTAL OPEB LIABILITY

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2019	\$18,261,041	\$22,006,132	\$(3,745,091)
Changes in the year:			
Service Cost	646,231	--	646,231
Interest	1,244,906	--	1,244,906
Changes in assumptions	(315,068)	--	(315,068)
Employer Contributions	--	931,457	931,457
Net Investment Income	--	777,337	(777,337)
Administrative Expenses	--	(13,768)	13,768
Benefit Payments	(928,437)	(928,437)	--
Net Changes	647,632	766,589	(118,957)
Balance at June 30, 2020	\$18,908,673	\$22,772,721	\$(3,864,048)

Source: City of Menlo Park Annual Comprehensive Financial Reports.

OPEB Expense. For the year ended June 30, 2021, the City recognized an OPEB expense of \$260,609. For additional information about the City's other postemployment benefits, see Note 13 of the City's audited financial statements for fiscal year ended June 30, 2018, attached to the Official Statement as APPENDIX C.

Investment Policies and Procedures

The City invests its funds in accordance with the City's Investment Policy (the "**Investment Policy**"), which is subject to annual review and approval by the City Council. The purpose of the Investment Policy is to establish the investment goals of safety, liquidity, and yield (in that order). The Investment Policy complies with the provisions of the California Government Code, Sections 53600 through 53659 (the authority governing investments for municipal governments in the State). The Investment Policy limits the City to investments authorized by State law (Sections 53601 et seq). In addition, the Investment Policy establishes further guidelines.

It is the policy of the City to invest public funds in a prudent manner which will provide the highest yield consistent with the maximum security and preservation of invested principal, while meeting the daily cash flow demands of the City, and conforming to all applicable federal, state and local statutes governing the investment of public funds.

The City Council receives monthly cash and investments reports. As of June 30, 2021, the City has invested funds as set forth in the table below.

Table B-7
CITY OF MENLO PARK
Investment Portfolio as of June 30, 2021

	Value
Securities of U.S Government-Treasury Notes	\$21,006,603
Securities of U.S Government-Government Agencies	31,800,800
Corporate Bonds	39,636,328
Local Agency Investment Fund	73,088,026
Money Market Mutual Funds	14,464
Total	\$165,546,221

Source: City of Menlo Park Annual Comprehensive Financial Reports.

APPENDIX C
ANNUAL FINANCIAL REPORT FOR YEAR ENDED
JUNE 30, 2021

**APPENDIX D
PROPOSED FORM OF OPINION OF BOND COUNSEL**

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is executed and delivered by the City of Menlo Park (the “City”) in connection with the issuance of the bonds captioned above (the “Bonds”). The Bonds are being issued under the Constitution and laws of the State of California, including but not limited to, Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, under a resolution adopted by the City Council of the City on April 12, 2022 (the “Bond Resolution”) and pursuant to and consistent with the Charter of the City.

The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Bond Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms have the following meanings:

“*Annual Report*” means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4.

“*Annual Report Date*” means the date not later than April 1 after the end of each fiscal year of the City (currently June 30th).

“*Dissemination Agent*” means the City or any other Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation. As of the date of this Disclosure Certificate, the City is acting as Dissemination Agent.

“*Listed Events*” means any of the events listed in Section 5(a).

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement executed by the City in connection with the issuance of the Bonds.

“*Participating Underwriter*” means any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“*Rule*” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing April 1, 2023, with the report for the 2021-22 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

- (i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
- (ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) *Financial Statements.* Audited financial statements of the City for the preceding fiscal year, prepared in accordance with generally accepted accounting principles. If the City's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) *Other Annual Information.* To the extent not included in the audited financial statements of the City, the Annual Report shall also include financial and operating data with respect to the City for the preceding fiscal year, substantially similar to that provided in Table 1, Table 4 and Table 6 in the Official Statement, describing assessed valuations and tax collection records.

(c) *Cross References.* Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Resolution.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the City obtains knowledge of the occurrence of any of these Listed Events, the City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

(b) Whenever the City obtains knowledge of the occurrence of a Listed Event, the City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Resolution.

(c) The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 3 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in

full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;
- (b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Bond Resolution for amendments to the Bond Resolution with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or

including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Bond Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notice or communications to be among any of the parties to this Disclosure Certificate may be given as follows:

To the City:	City of Menlo Park 701 Laurel Street Menlo Park, California 94025 (650) 330-6600
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Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: _____, 2022

CITY OF MENLO PARK

By: _____
Director of Finance

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of Menlo Park (the "City")

Name of Bond Issue: City of Menlo Park 2022 General Obligation Bonds
(2001 Election)

Date of Issuance: _____, 2022

NOTICE IS HEREBY GIVEN that the City has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate, dated _____, 2022. The City anticipates that the Annual Report will be filed by _____.

Date: [DISSEMINATION AGENT]

By: _____
Name:
Title:

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company (“DTC”), the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

*Neither the issuer of the Bonds (the “**Issuer**”) nor the trustee, fiscal agent or paying agent appointed with respect to the Bonds (the “**Agent**”) take any responsibility for the information contained in this Appendix.*

*No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “**Rules**” applicable to DTC are on file with the Securities and Exchange Commission and the current “**Procedures**” of DTC to be followed in dealing with DTC Participants are on file with DTC.*

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the securities (the “**Securities**”). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust

companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as

possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Issuer or Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

PAYING AGENCY AGREEMENT

This **Paying Agency Agreement** (the “Agreement”), entered into as of May __, 2022, by and between the **City of Menlo Park** (the “Issuer”) and **The Bank of New York Mellon Trust Company, N.A.**, a national banking association having a corporate trust office at San Francisco, California (the “Paying Agent”),

WITNESSETH:

WHEREAS, by the resolutions described in **Exhibit A** attached hereto (the “Authorization”), the Issuer authorized the issuance of its Bonds or Notes as described in **Exhibit A** attached hereto (the “Bonds” or “Notes”) and

WHEREAS, said Authorization authorized the Issuer to enter into an agreement of appointment with a bond registrar/transfer agent and paying agent to service such Bonds or Notes.

NOW, THEREFORE, the Issuer and the Paying Agent agree as follows:

Section 1. Appointment and Acceptance. The Issuer hereby appoints The Bank of New York Mellon Trust Company, N.A. as bond registrar/transfer agent and paying agent for the Bonds or Notes, and the Paying Agent accepts such appointments, acknowledging the duties, obligations and responsibilities of the Paying Agent as set forth herein.

Section 2. Documents to be Filed with the Paying Agent. The following documents shall be filed with the Paying Agent in connection with its appointment:

- (i) a copy of the Authorization.
- (ii) if not printed on the Bonds or Notes, an opinion of bond counsel stating that (a) the Bonds or Notes are valid and legally binding obligations of the Issuer, payable in accordance with their terms and (b) if applicable, the interest on such Bonds or Notes is not included in gross income for federal income tax purposes;
- (iii) a specimen certificate in the form approved by the Issuer;
- (iv) if the Bonds or Notes have been delivered prior to the Paying Agent’s appointment:
 - (1) a list containing the name, address and taxpayer identification number of each holder of the Bonds or Notes as of the date of Paying Agent’s appointment, indicating the date of issuance, the authentication date, the certificate number and the denomination for each outstanding certificate, and
 - (2) a list of stop transfer orders maintained by the Issuer (or its prior paying agents) against outstanding Bond or Note certificates giving details as to certificate numbers, denominations, names of registered owners and dates of stop transfer orders, and, if such certificates have been replaced, the numbers and denominations of the replacement certificates, dates of replacements and documents evidencing the indemnity accepted in connection with the issuance of the replacement certificates; and
- (v) such other instruments and certificates as the Paying Agent may reasonably request.

Section 3. Registration, Authentication and Delivery of Initial Bonds or Notes. If the Bonds or Notes are to be newly issued, the Issuer will, or will cause its underwriter to:

- (i) deliver to Paying Agent, not later than five (5) business days prior to the required delivery date, written notice setting forth the maturity date, principal amount and interest rate borne by the Bonds or Notes;
- (ii) notify the Paying Agent in writing, not later than three (3) business days prior to the required delivery date, of the name(s) in which Bonds or Notes are to be registered, the mailing addresses of the respective registered holders and their respective taxpayer identification numbers, and the quantity, denominations, interest rates, maturity dates and CUSIP numbers of the certificates to be issued to each registered holder.

The Paying Agent shall inscribe the Bonds or Notes as directed in Section 3(ii) above, authenticate the initial Bonds or Notes and deliver same in accordance with the written directions of the Issuer or its underwriter. If delivered before the Closing, such initial Bonds or Notes shall remain subject to the control of the Paying Agent, as agent for the Issuer, until released by the Paying Agent.

Section 4. Transfer or Exchange of Certificates. The Paying Agent is authorized, empowered and directed to inscribe, to countersign or authenticate as registrar, and to record and deliver new certificates for Bonds or Notes of the Issuer pursuant to requests for transfer and cancellation of other certificates theretofore outstanding, or to replace lost, destroyed, stolen or mutilated certificates, as provided in Section 6 hereof.

If the transfer and/or exchange of the Bond or Note certificate shall have been documented in the manner authorized or required by law, and if the rules, regulations, policies and procedures of the Issuer and of the Paying Agent, governing the transfer and registration of the Bonds or Notes shall have been met, then the Paying Agent shall cancel such certificate being transferred and/or exchanged and shall inscribe, authenticate, record and deliver a new certificate for the Bonds or Notes so transferred or exchanged. In the transfer of Bond or Note certificates, the Paying Agent may require a guarantee of signature by an eligible guarantor institution participating in a recognized signature guarantee program.

The Paying Agent shall incur no liability for the refusal in good faith to make transfers which it, in its judgment, deems improper or unauthorized. The Paying Agent may, in effecting transfers, rely upon the Uniform Commercial Code of the State of California and/or the rules of the Stock Transfer Association, Inc.

Prior to any transfer of the Bonds outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Paying Agent all information necessary to allow the Paying Agent to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Paying Agent shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information. The Paying Agent acknowledges that the Issuer has no obligation to enforce any obligations imposed by this paragraph on the owners of the Bonds.

Section 5. Bond or Note Certificates. The Issuer will furnish to the Paying Agent a sufficient supply of blank Bond or Note certificates and, from time to time, will replenish such supply upon request of the Paying Agent. Such blank Bond or Note certificates shall be signed by officers of the Issuer, authorized by the Issuer to sign Bond or Note certificates, and shall bear the seal of the Issuer or shall bear, to the extent permitted by law, the facsimile signature of each such officer and a facsimiles of the seal. If an officer of the Issuer, whose signature appears on any Bond or Note certificate, ceases to be an officer of the Issuer before delivery of said Bond or Note certificate, such signature nevertheless shall be valid and sufficient for all purposes, the same as if such officer of the Issuer had remained in office until such delivery and the Paying Agent may inscribe, authenticate, and deliver such certificate as being that of the Issuer whose signature properly shall have been inscribed on such Bond or Note certificate prior to its issuance.

Section 6. Records of Certificates; Lost or Destroyed Certificates. The Paying Agent may open and keep such books and other records, including a bond register, as shall be required for, or convenient in, the performance of its duties. If Bonds or Notes have been issued and delivered prior to the Paying Agent's appointment, the Paying Agent may accept and adopt as a part of such records all lists of holders of records as may have been employed by any former bond registrar/transfer agent and paying agent for such Bonds or Notes if certified by such former bond registrar/transfer agent and paying agent. The Paying Agent shall use such list of holders of record of the Issuer's Bond or Note certificates as sufficient basis for its records and verification of Bond or Note certificates therein described.

Upon receiving written instructions from the Issuer and indemnity satisfactory to the Paying Agent and the Issuer, the Paying Agent may inscribe, authenticate and deliver, to the persons entitled thereto, new certificates in place of certificates represented to have been lost, stolen or destroyed and likewise may issue a new certificate in exchange for, and upon surrender of, an identifiable mutilated certificate.

Section 7. Payments of Interest and Principal. The Paying Agent shall act as paying agent for the Bonds or Notes and in such capacity it shall:

- (i) with funds provided by Issuer, pay the interest upon the Bonds or Notes by mailing checks to the persons entitled to receive such interest, as determined by the registry of the Issuer maintained by the Paying Agent, provided that Issuer shall have deposited with the Paying Agent, on or before the day upon which interest checks are to be mailed, sufficient immediately available funds to cover payment of such interest;
- (ii) with funds provided by Issuer, pay the principal amount (including premium, if any) of the Bonds or Notes to the registered holders of such Bonds or Notes, upon the maturity date or earlier redemption date upon which the principal is to become payable and upon delivery to the Paying Agent of a Bond Note certificate with respect to which such principal payment shall have become payable, provided that the Issuer shall have deposited with the Paying Agent, on or before the payment date, sufficient immediately available funds to pay the aggregate principal amount (including premium, if any) due on all Bonds or Notes so payable;
- (iii) if a Bondholder or Noteholder shall report to the Paying Agent that any check so mailed for the payment of interest or principal has been lost and that the proceeds thereof, have not been received and if the check has not been paid then, upon provision of an indemnity satisfactory to the Paying Agent and the Issuer, stop payment upon such check, and issue and deliver to such Bondholder or Noteholder a new check for like amount; provided, however, that it may, at its discretion, defer the issuance of the new check for a reasonable period of time;
- (iv) record the fact of payment and cancel Bonds or Notes surrendered to it for payment, coincident with such payment being made to the person thereto entitled; and
- (v) have no liability for interest on, or investing, any funds received by it; any unclaimed funds remaining in the possession of the Paying Agent for payment of the Bonds or Notes will be escheated in accordance with applicable law and the Paying Agent's policies and procedures.

Section 8. Redemption Prior to Stated Maturity. If the Bonds or Notes are subject to redemption prior to their stated maturity date(s), the Paying Agent shall be governed by the redemption provisions set forth in the Authorization or as stated in the provisions as set forth on the bond/note form. The Paying Agent shall not be required to transfer any Bond or Note, or portion thereof, that has been called for redemption. Payment of the principal amount (including premium, if any) of any Bond or Note, or portion thereof, called for redemption shall be made by check payable to the registered owner, only upon presentation of the Bond or Note, at the designated corporate trust office of the Paying Agent on or

after the redemption date. Where the entire principal amount of the Bond or Note has not been called for redemption, a new Bond or Note of the same series, maturity and interest rate in the amount of the unredeemed portion will be issued to the registered holder or its assignee. Whether or not promptly submitted for redemption, interest on any Bond or Note, or portion thereof, called for redemption shall cease to accrue on and after the redemption date provided that sufficient moneys therefore are on deposit with the Paying Agent.

Section 9. Compensation; Indemnification. The Issuer agrees to pay the Paying Agent fees as set forth in **Exhibit B** attached hereto and made a part hereof, and, if applicable, to reimburse Paying Agent for its out-of-pocket expenses (including without limitation attorneys' fees and expenses). The Issuer assumes full responsibility and, to the extent permitted by law, will indemnify the Paying Agent and its officers, directors, agents and employees and save it and them harmless from and against any and all actions or suits, whether groundless or otherwise, and from and against any and all losses, liabilities, costs and expenses (including attorneys' fees and expenses) arising out of the agency relationship created by this Agreement, unless such losses, liabilities, costs and expenses shall have been finally adjudicated to have resulted from the willful misconduct or negligence of the Paying Agent, and such indemnification shall survive the Paying Agent's resignation or removal for any reason, or the termination of this Agreement.

Section 10. Instructions From the Issuer and Opinion From Counsel. At any time the Paying Agent may apply to any duly authorized representative of the Issuer for instructions, and shall have the right, but not the obligation, to consult with counsel of choice at the reasonable expense of the Issuer and shall not be liable for action taken or omitted to be taken either in accordance with such instruction or such advice of counsel, or in accordance with any opinion of counsel to the Issuer addressed to the Paying Agent.

Section 11. Concerning the Paying Agent. The Paying Agent shall have only those duties as are specifically provided herein, which shall be deemed purely ministerial in nature, and shall have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees. The Paying Agent shall not be answerable for other than its negligence or willful misconduct. The Paying Agent shall have no responsibility for the form of inscription of ownership upon any Bond or Note certificate which has been made in accordance with directions of the Issuer, the Issuer's underwriter, a broker or a holder of a Bond or Note. The Paying Agent shall be protected in acting upon any paper or document believed by it to be genuine and to have been signed by the proper person or persons and shall not be held to have notice of any change of authority of any person, until receipt of written notice thereof from the Issuer. The Paying Agent shall also be protected in recognizing Bond or Note certificates which it reasonably believes to bear the proper manual or facsimile signatures on behalf of the Issuer. The Paying Agent shall have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken by Paying Agent either in accordance with the advice of such counsel or in accordance with any opinion of counsel to the Issuer addressed and delivered to the Paying Agent. The Paying Agent shall not be under any obligation to prosecute any action or suit in respect of the agency relationship which, in its sole judgment, may involve it in expense or liability. In any action or suit the Issuer shall, as often as requested, reimburse the Paying Agent for any expense or liability growing out of such action or suit by or against the Paying Agent in its agency capacity; provided, however, that no such reimbursement shall be made for any expense or liability arising as a result of Paying Agent's negligence or willful misconduct. No provision of this Agreement shall require the Paying Agent to risk or expend its own funds.

The Paying Agent shall not be responsible or liable for any failure or delay in the performance of its obligation under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; wars; terrorism; military disturbances; sabotage; epidemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that Paying Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

Anything in this Agreement to the contrary notwithstanding, in no event shall the Paying Agent be liable for special, punitive, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Paying Agent has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Paying Agent shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Agreement and delivered using Electronic Means (“Electronic Means” means mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Paying Agent, or another method or system specified by the Paying Agent as available for use in connection with its services hereunder); provided, however, that the Issuer shall provide to the Paying Agent an incumbency certificate listing officers with the authority to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Issuer whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Paying Agent Instructions using Electronic Means and the Paying Agent in its discretion elects to act upon such Instructions, the Paying Agent’s understanding of such Instructions shall be deemed controlling. The Issuer understands and agrees that the Paying Agent cannot determine the identity of the actual sender of such Instructions and that the Paying Agent shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Paying Agent have been sent by such Authorized Officer. The Issuer shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Paying Agent and that the Issuer and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Issuer. The Paying Agent shall not be liable for any losses, costs or expenses arising directly or indirectly from the Paying Agent’s reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Paying Agent, including without limitation the risk of the Paying Agent acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Paying Agent and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Issuer; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Paying Agent immediately upon learning of any compromise or unauthorized use of the security procedures.

Any banking association or corporation into which the Paying Agent may be merged, converted or with which the Paying Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Paying Agent shall be transferred, shall succeed to all the Paying Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding.

Section 12. Notices. Until changed by notice in writing, communications between the parties shall be delivered to:

If to Issuer:
City of Menlo Park
701 Laurel St.
Menlo Park, CA 94025
Attn: Administrative Services Director

If to the Paying Agent:
The Bank of New York Mellon Trust Company, N.A.

2001 Bryan Street, 11th Floor
Dallas, TX 75201
Attn: Corporate Trust

Section 13. Destruction of Instruments, Records and Papers. The Paying Agent may retain in its files records, instruments, and papers maintained by it in relation to its agency as long as the Paying Agent shall consider that such retention is necessary. The Paying Agent shall destroy or dispose of canceled Bonds or Notes in accordance with its customary procedures, unless contrary instructions are received from the Issuer.

Section 14. Resignation or Removal of Paying Agent. Any time, other than on a day during the forty-five (45) day period preceding any payment date for Issuer's Bonds or Notes, the Paying Agent may resign by giving at least forty-five (45) days' prior written notice to Issuer; and the Paying Agent's agency shall be terminated and its duties shall cease upon expiration of such forty-five (45) days or such lesser period of time as shall be mutually agreeable to Paying Agent and Issuer. At any time, following at least forty-five (45) days' prior written notice (or such lesser period of time as shall be mutually agreeable to the Paying Agent and the Issuer) from the Issuer, the Paying Agent may be removed from its agency. Such removal shall become effective upon the expiration of the forty-five (45) day or agreed lesser time period, and upon payment to the Paying Agent of all amounts payable to it in connection with its agency. In such event, the Paying Agent shall deliver to the Issuer, or to the Issuer's designated representative, all Bonds or Notes and cash belonging to the Issuer and, at the Issuer's expense, shall furnish to the Issuer, or to the Issuer's designated representative, reasonably detailed information regarding the status of the Issuer's outstanding Bonds or Notes and copies of other pertinent records then in the Paying Agent's possession, reasonably requested by the Issuer.

Section 15. Effectiveness and Term. If the Bonds or Notes already are outstanding as of the date of the execution and delivery of this Agreement, this Agreement is effective as of the date hereof and shall continue until terminated as provided herein.

If the Bonds or Notes are to be newly issued, then this Agreement shall become effective as of the date that the Bonds or Notes are delivered to the original purchaser(s) thereof, and shall continue until terminated. If said Bonds/Notes are not delivered to original purchaser(s), this Agreement shall be null, void and of no effect.

This Agreement shall remain in effect and the agency established by the Agreement shall continue until (i) terminated by mutual agreement of Issuer and Paying Agent, (ii) the resignation or removal of Paying Agent pursuant to Section 14 hereof, or (iii) after all Bonds or Notes have been retired by payment or otherwise, or funds have been deposited for their retirement, and any remaining funds have either been returned to the Issuer or escheated in accordance with law.

Section 16. Conflicts Between Documents. In the event of any conflict between any provision of this Agreement and the Authorization, the terms of the Authorization shall govern.

Section 17. Jury Trial Waiver. Each party hereto hereby agrees not to elect a trial by jury of any issue triable of right by jury, and waives any right to trial by jury fully to the extent that any such right shall now or hereafter exist with regard to this Agreement, or any claim, counterclaim or other action arising in connection herewith. This waiver of right to trial by jury is given knowingly and voluntarily by each party, and is intended to encompass individually each instance and each issue as to which the right to a trial by jury would otherwise accrue.

Section 18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their duly authorized officers as of the date first above written.

CITY OF MENLO PARK

By _____
Name: Justin I. C. Murphy
Title: Interim City Manager

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.**

By _____
Name: Juliana Haidary
Title: Associate

EXHIBIT A

DESCRIPTION OF BONDS OR NOTES

Resolution Number	Name of Bonds
	City of Menlo Park 2022 General Obligation Bonds (2001 Election)

EXHIBIT B

FEE SCHEDULE

Registrar, Transfer Agent and Paying Agent
For Fully Registered Bond / Note Issues

**City of Menlo Park
2022 General Obligation Bonds (2001 Election)**

COSTS OF ISSUANCE CUSTODY AGREEMENT

This Costs of Issuance Custody Agreement dated as of May __, 2022, has been entered into by and between the City of Menlo Park (the "City") and The Bank of New York Mellon Trust Company, N.A. (the "Custodian"). The City has appointed the Custodian to act as custodian for the proceeds of following bonds (collectively, the "Bonds") that will be used to pay the costs of issuing the captioned bonds (the "Bonds").

This Agreement sets out the terms and conditions of said appointment.

For good and valuable consideration, the City and the Custodian agree as follows:

A. Cost of Issuance Fund.

1. The City shall deposit or cause to be deposited proceeds of the Bonds in the amount of \$_____ with the Custodian on the date hereof (the "Closing Date"), and Custodian shall deposit the funds in a custody account (the "Costs of Issuance Fund") established with the Custodian in the name of the Bonds.
2. The Custodian will pay costs of issuance of the Bonds as directed by the City on the date here and pursuant to subsequent written orders of the City in the form and conforming to the procedures identified by the Custodian.
3. Funds held in the Costs of Issuance Fund shall be the property of the City, subject only to the claims for payment of authorized Costs of Issuance of the Bonds as provided in paragraph 2 hereof. Any balances remaining in the Costs of Issuance Fund (including any earnings) on the earlier of July 1, 2022, or as set forth in Section 4 below, will be disbursed to the City for deposit into the Debt Service Fund which has been established for the Bonds.

B. Miscellaneous

1. It is agreed and understood between the parties that the Custodian has not advised, and will not advise, the City on any investment of funds in connection with this Agreement. The Custodian shall not invest any cash held hereunder in the absence of timely and specific written direction from the City. In no event shall the Custodian be liable for the selection of investments or for investment losses incurred thereon. The Custodian shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the City to provide timely written investment direction. The Custodian may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Agreement. The Custodian may conclusively rely upon such written direction from the City as to both the suitability and legality of the directed investments.
2. The Custodian shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Custodian. Upon the City's election, such statements will be delivered via the

Custodian's online service and upon electing such service, paper statements will be provided only upon request. The statements described will serve as the sole written notification to City of any securities transaction effected by Custodian unless the City requests that Custodian provide written notification of such transactions pursuant to 12 CFR §12.4(a) or 12 CFR §12.4(b) at no additional cost to Customer.

3. This Agreement will terminate on July 1, 2022, or earlier, as the City shall direct the Custodian in writing that the City has satisfied its obligation to pay all costs due relating to the Bonds.
4. This Agreement shall be governed under the laws of the State of California.
5. The duties and responsibilities of Custodian shall be limited to those expressly set forth in this Agreement which shall be deemed purely ministerial in character, and no implied covenants or obligations shall be read into this Agreement against the Custodian. The Custodian will not be liable for any action taken or omitted to be taken by it under this Agreement or in connection herewith except to the extent caused by the Custodian's negligence or willful misconduct. In no event shall the Custodian be liable for any special, indirect or consequential damages.

The Custodian will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion of power conferred upon it by this Agreement. None of the provisions of this Agreement shall require the Custodian to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Custodian may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Custodian may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel. The Custodian may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Custodian shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the City shall provide to the Custodian an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Custodian Instructions using Electronic Means and the Custodian in its discretion elects to act upon such Instructions, the Custodian's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Custodian cannot determine the identity of the actual sender of such Instructions and that the Custodian shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Custodian have been sent by such Authorized Officer. The City shall be responsible for ensuring

that only Authorized Officers transmit such Instructions to the Custodian and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from the Custodian's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Custodian and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Custodian immediately upon learning of any compromise or unauthorized use of the security procedures.

"Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Custodian, or another method or system specified by the Custodian as available for use in connection with its services hereunder.

Custodian shall receive compensation for its services as agreed between Custodian and City. City agrees to indemnify and hold Custodian harmless from all loss, cost, damages, expenses, liabilities, judgments and attorneys' fees and expenses (including without limitation, allocated costs of in-house counsel) suffered or incurred by Custodian arising out of or in connection with this Agreement, except that this indemnity obligation shall not apply in the event of the negligence or willful misconduct of the Custodian. This indemnity obligation shall survive termination of this Agreement.

Executed as of the date first above written.

CITY OF MENLO PARK

By: _____
Administrative Services Director

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as custodian

By: _____
Authorized Representative

\$ _____
CITY OF MENLO PARK
2019 GENERAL OBLIGATION BONDS (2001 ELECTION)

PROJECT FUND CUSTODY AGREEMENT

This Project Fund Custody Agreement dated as of May __, 2022, has been entered into by and between the City of Menlo Park (the "City") and The Bank of New York Mellon Trust Company, N.A. (the "Custodian"). The City has appointed the Custodian to act as custodian for the proceeds of the captioned bonds (the "Bonds") that will be used to pay the Project Costs (as defined herein). This Agreement sets out the terms and conditions of said appointment. Capitalized terms used herein but not defined herein have the meanings given them in Resolution No. ____, adopted by the City Council on April 12, 2022 (the "Resolution").

The City and the Custodian agree as follows:

1. The City shall deposit or cause to be deposited the amount of \$_____ with the Custodian on May __, 2022, and Custodian shall deposit the funds in a custody account (the "Project Fund") established with the Custodian in the name of the Bonds.
2. The Custodian will pay from the Project Fund the costs of constructing, acquiring or improving parks and recreation facilities authorized under the November 6, 2001 authorization described in the Resolution (the "Project Costs") as directed by the City on the date here and pursuant to subsequent written orders of the City in the form of Exhibit A.
3. Funds held hereunder shall be the property of the City, subject only to the claims for payment of authorized Project Costs as provided in paragraph 2 hereof. Upon the determination by the City that there are no further authorized uses for the moneys in the Project Fund, the City shall direct the Custodian to transfer the amounts remaining in the Project Fund to the Debt Service Fund for the Bonds.
4. The Custodian will hold funds uninvested in cash unless directed otherwise by the City in writing. The City covenants that it will invest the amounts held in the Project Fund within 30 days of the Closing Date.

Amounts on deposit in the Project Fund shall be invested solely in investments authorized for the investment of City funds under applicable law. Principal and interest earnings from each investment will be retained in the Project Fund.

Except as otherwise provided in the following paragraph, the City covenants that all investments of amounts deposited in the Project Fund will be acquired, disposed of, and valued at Fair Market Value.

Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Code will be valued at their present value, as determined by the City (within the meaning of section 148 of the Tax Code).

If the designated money market mutual fund terminates, closes, or is otherwise unavailable, the Custodian shall hold such funds uninvested until it receives a new

written investment directive from the City. The Custodian shall not invest any cash held hereunder in the absence of timely and specific written direction from the City. In no event shall the Custodian be liable for the selection of investments or for investment losses incurred thereon. The Custodian shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of the City to provide timely written investment direction. The Custodian may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Agreement. The Custodian may conclusively rely upon such written direction from the City as to both the suitability and legality of the directed investments. The City acknowledges that regulations of the Comptroller of the Currency grant the City the right to receive brokerage confirmations of the security transactions as they occur, at no additional cost.

5. The Custodian shall furnish the City periodic cash transaction statements which include detail for all investment transactions effected by the Custodian. Upon the City's election, such statements will be delivered via the Custodian's online service and upon electing such service, paper statements will be provided only upon request. The statements described will serve as the sole written notification to City of any securities transaction effected by Custodian unless the City requests that Custodian provide written notification of such transactions pursuant to 12 CFR §12.4(a) or 12 CFR §12.4(b) at no additional cost to Customer.
6. This Agreement will terminate on May 31, 2027, or earlier, as the City shall direct the Custodian in writing that the City has no more Project Costs to be paid from proceeds of the Bonds.
7. This Agreement shall be governed under the laws of the State of California.
8. The duties and responsibilities of Custodian shall be limited to those expressly set forth in this Agreement which shall be deemed purely ministerial in character, and no implied covenants or obligations shall be read into this Agreement against the Custodian. The Custodian will not be liable for any action taken or omitted to be taken by it under this Agreement or in connection herewith except to the extent caused by the Custodian's negligence or willful misconduct. In no event shall the Custodian be liable for any special, indirect or consequential damages.

The Custodian will not be liable for any action taken or neglected to be taken by it in good faith in any exercise of reasonable care and believed by it to be within the discretion of power conferred upon it by this Agreement. None of the provisions of this Agreement shall require the Custodian to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder. The Custodian may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Custodian may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel. The Custodian may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians or nominees appointed with due care, and shall not be responsible for any willful

misconduct or negligence on the part of any agent, attorney, custodian or nominee so appointed.

The Custodian shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Agreement and delivered using Electronic Means; provided, however, that the City shall provide to the Custodian an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Custodian Instructions using Electronic Means and the Custodian in its discretion elects to act upon such Instructions, the Custodian's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Custodian cannot determine the identity of the actual sender of such Instructions and that the Custodian shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Custodian have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Custodian and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Custodian shall not be liable for any losses, costs or expenses arising directly or indirectly from the Custodian's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Custodian, including without limitation the risk of the Custodian acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Custodian and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Custodian immediately upon learning of any compromise or unauthorized use of the security procedures.

"Electronic Means" shall mean the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Custodian, or another method or system specified by the Custodian as available for use in connection with its services hereunder.

Custodian shall receive compensation for its services as agreed between Custodian and City. City agrees to indemnify and hold Custodian harmless from all loss, cost, damages, expenses, liabilities, judgments and attorneys' fees and expenses (including without limitation, allocated costs of in-house counsel) suffered or incurred by Custodian arising out of or in connection with this Agreement, except that this indemnity obligation shall not apply in the event of the negligence or willful misconduct of the Custodian. This indemnity obligation shall survive termination of this Agreement.

Executed as of the date first above written.

CITY OF MENLO PARK

By: _____
Administrative Services Director

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as custodian

By: _____
Authorized Representative

EXHIBIT A

FORM OF REQUISITION FROM PROJECT FUND

REQUISITION NO. _____

The undersigned hereby states and certifies that:

(i) I am a duly appointed, qualified and acting City Representative of the City of Menlo Park (the "City"), and as such, am familiar with the facts herein certified and am authorized to certify the same.

(ii) In that capacity, I am authorized to submit this Written Requisition under Section 2 of that certain Project Fund Custody Agreement, dated May __, 2022 ("Agreement"), between the City and The Bank of New York Mellon Trust Company, N.A., as Project Fund custodian (the "Custodian").

(iii) The undersigned hereby requests and authorizes the Custodian to disburse from the account(s) within the Project Fund established under the Agreement to each payee designated on Schedule A attached hereto and by this reference incorporated herein, the amount set forth opposite such payee, for payment or reimbursement of previous payment of a Project Cost (as provided in paragraph 2 of the Agreement) as described on attached Schedule A.

(iv) The disbursements described on the attached Schedule A will pay for Project Costs, and are properly chargeable to the specified account of the Project Fund.

(v) No portion of the amount herein requested to be disbursed was set forth in any Written Requisition previously filed requesting disbursement.

(vi) The requisition of moneys in the Project Fund and the use of such moneys as proposed by the City will not cause the City to violate the covenants set forth in Section 5.05 of the Resolution, which covenants are incorporated herein by this reference.

Capitalized terms used herein but not defined herein have the meanings given them in the Agreement or the Resolution described in the Agreement.

Dated: _____

CITY OF MENLO PARK

By: _____
City Representative

SCHEDULE A

<u>Payee Name and Address or Wire Instructions</u>	<u>Purpose of Payment</u>	<u>Amount*</u>	<u>Account</u>

\$[_____]

CITY OF MENLO PARK

2022 GENERAL OBLIGATION BONDS

(2001 Election)

BOND PURCHASE AGREEMENT

_____, 2022

City of Menlo Park
 701 Laurel St.
 Menlo Park, California 94025

BofA Securities, Inc. (the “Underwriter”) hereby offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the City of Menlo Park (the “Issuer”), whereby the Underwriter will purchase and the Issuer will sell the Bonds (as defined and described below). The Underwriter is making this offer subject to the acceptance by the Issuer at or before 5:00 P.M., California Time, on the date hereof. If the Issuer accepts this Purchase Agreement, this Purchase Agreement shall be in full force and effect in accordance with its terms and shall bind both the Issuer and the Underwriter. The Underwriter may withdraw this Purchase Agreement upon written notice delivered by the Underwriter to the Issuer at any time before the Issuer accepts this Purchase Agreement. Terms used but not defined in this Purchase Agreement are defined in the Bond Resolution (as defined below).

1. PURCHASE AND SALE.

Upon the terms and conditions and in reliance upon the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the following bonds: City of Menlo Park, 2022 General Obligation Bonds (2001 Election) (the “Bonds”), at the purchase price of \$[_____] , representing the aggregate principal amount of the Bonds less an Underwriter’s discount of \$[_____] plus original issue premium of \$[_____]. The Underwriter intends to make an initial bona fide public offering of the Bonds at the price or prices described in Schedule I hereto; provided, however, the Underwriter reserves the right to change such initial public offering prices as the Underwriter deems necessary or desirable, in its sole discretion, in connection with the marketing of the Bonds (but in all cases subject to the requirements of Section 4 hereof), and may offer and sell the Bonds to certain dealers, unit investment trusts and money market funds, certain of which may be sponsored or managed by the Underwriter at prices lower than the public offering prices or yields greater than the yields set forth therein (but in all cases subject to the requirements of Section 4 hereof).

The Issuer acknowledges and agrees that: (i) the Underwriter is not acting as a municipal advisor within the meaning of Section 15B of the Securities Exchange Act, as amended, (ii) the primary role of the Underwriter, as an underwriter, is to purchase securities, for resale to investors, in an arm’s length commercial transaction between the Issuer and the Underwriter and the

Underwriter has financial and other interests that differ from those of the Issuer; (iii) the Underwriter is acting solely as a principal and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iv) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; and (v) the Issuer has consulted its own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent it has deemed appropriate.

2. DESCRIPTION AND PURPOSE OF THE BONDS.

The Bonds have been authorized pursuant to Article 4.5 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, and pursuant to and consistent with the Charter of the Issuer (the “Bond Law”). The Issuer authorized the issuance of the Bonds under a Resolution adopted by the City Council of the Issuer (the “City Council”) on April 12, 2022 (the “Bond Resolution”). The Bonds were authorized at an election of the registered voters of the City held on November 6, 2001, which authorized the issuance of general obligation bonds for the purpose of financing the construction, acquisition, and improvement of parks and recreation facilities (the “2001 Authorization”). The Bonds are the fourth and final series of bonds to be sold and issued under the 2001 Authorization. The Bonds shall be dated their date of delivery.

The proceeds of the sale of the Bonds will be used to (i) finance the construction, acquisition, and improvement of parks and recreation facilities, as approved by the voters at an election held in the City on November 6, 2001 (the “Bond Election”) with respect to the bond measure known as Measure T, and (ii) pay certain costs of issuance associated with the Bonds.

The Bonds will be secured under the provisions of the Bond Law and the Bond Resolution. The Bonds shall mature in the years, bear interest, be purchased at the prices and be subject to redemption at the times and in the amounts, all as set forth in Schedule I attached hereto. The authorized denominations, record dates, interest payment dates, sinking fund payment dates, and other details and particulars of the Bonds shall be as described in the Bond Resolution and the Official Statement (as defined below) of the Issuer. The paying agent, registrar and authenticating agent for the Bonds, as designated by the Bond Resolution, shall be The Bank of New York Mellon Trust Company, N.A. (the “Paying Agent”).

3. DELIVERY OF THE OFFICIAL STATEMENT AND OTHER DOCUMENTS.

(a) The Issuer has approved and delivered or caused to be delivered to the Underwriter copies of the Preliminary Official Statement dated [____], 2022, which, including the cover page and all appendices thereto, is herein referred to as the “Preliminary Official Statement.” It is acknowledged by the Issuer that the Underwriter may deliver the Preliminary Official Statement and a final Official Statement (as hereinafter defined) electronically over the internet and in printed paper form. The Issuer deems the Preliminary Official Statement final as of its date and as of the date hereof for purposes of Rule 15c2-12 promulgated under the

Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for any information which is permitted to be omitted therefrom in accordance with paragraph (b)(1) of Rule 15c2-12.

(b) Within seven (7) business days from the date hereof, and in any event not later than two (2) business days before the Closing Date, the Issuer shall deliver to the Underwriter a final Official Statement relating to the Bonds dated the date hereof (such Official Statement, including the cover page, and all appendices attached thereto, together with all information previously permitted to have been omitted by Rule 15c2-12 and any amendments or supplements and statements incorporated by reference therein or attached thereto, as have been approved by the Issuer, Bond Counsel, and the Underwriter, is referred to herein as the “Official Statement”) and such additional conformed copies thereof as the Underwriter may reasonably request in sufficient quantities to comply with Rule 15c2-12, rules of the Municipal Securities Rulemaking Board (“MSRB”) and to satisfy potential customer requests for copies of the Official Statement. The Underwriter agrees to file a copy of the Official Statement, including any amendments or supplements thereto prepared by the Issuer, with the MSRB on its Electronic Municipal Markets Access (“EMMA”) system. The Official Statement shall be executed by and on behalf of the Issuer by an authorized officer of the Issuer. The Official Statement shall be in substantially the same form as the Preliminary Official Statement and, other than information previously permitted to have been omitted by Rule 15c2-12, the Issuer shall only make such other additions, deletions and revisions in the Official Statement which are approved by the Underwriter, such approval to not be unreasonably withheld. The Issuer hereby agrees to deliver to the Underwriter an electronic copy of the Official Statement in a form that permits the Underwriter to satisfy its obligations under the rules and regulations of the MSRB and the U.S. Securities and Exchange Commission (“SEC”) including in a word-searchable pdf format including any amendments thereto. The Issuer hereby ratifies, confirms and consents to and approves the use and distribution by the Underwriter before the date hereof of the Preliminary Official Statement and hereby authorizes and consents to the use by the Underwriter of the Official Statement and the Bond Resolution in connection with the public offering and sale of the Bonds.

(c) In order to assist the Underwriter in complying with Rule 15c2-12, the Issuer will undertake, pursuant to the Continuing Disclosure Certificate, dated as of [_____, 2022 (the “Disclosure Certificate”), to provide annual financial information and notices of the occurrence of specified events. A description of the Disclosure Certificate is set forth in, and a form of such agreement is attached as an appendix to, the Preliminary Official Statement and the Official Statement.

4. ESTABLISHMENT OF ISSUE PRICE.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, substantially in the form attached hereto as Exhibit A, together with the supporting pricing wires or equivalent communications, with such modifications as may be deemed appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor

identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(b) Except for the maturities set forth in Schedule A to Exhibit A attached hereto, the Issuer represents that it will treat the first price at which 10% of each maturity of the Bonds (the "10% Test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% Test). If, as of the date hereof, the 10% Test has not been satisfied as to any maturity of the Bonds for which the Issuer has elected to utilize the 10% Test, the Underwriter agrees to promptly report to the Issuer the prices at which Bonds of that maturity or maturities have been sold by the Underwriter to the public. That reporting obligation shall continue until the earlier of the date upon which the 10% Test has been satisfied as to the Bonds of that maturity or maturities or the Closing Date.

(c) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit A attached hereto, except as otherwise set forth therein. Schedule A to Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% Test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity and (ii) to comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or such dealer that the 10% Test has been satisfied as to the Bonds of that maturity and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing the issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(e) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party to an underwriter,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the

public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),

- (iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

5. REPRESENTATIONS. The Issuer represents to and agrees with the Underwriter that:

(a) The Issuer is duly organized and validly existing, with full legal right, power and authority to issue, sell and deliver the Bonds to the Underwriter pursuant to the Bond Law and the Bond Resolution, and adopt, execute, deliver and perform its obligations, as the case may be, under this Purchase Agreement, the Bond Resolution, the Bonds, the Paying Agent Agreement, the Project Fund Custody Agreement, the Cost of Issuance Custody Agreement and the Disclosure Certificate (collectively, the “Legal Documents”) and to perform and consummate all obligations and transactions required or contemplated by each of the Legal Documents and the Official Statement.

(b) The Bond Resolution approving and authorizing the execution, adoption and delivery, as the case may be, by the Issuer of this Purchase Agreement, the Bonds and the Disclosure Certificate, and the offering, issuance and sale of the Bonds upon the terms set forth herein and in the Official Statement, was duly adopted at a meeting of the City Council of the Issuer called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and is in full force and effect and has not been amended or repealed.

(c) The Bond Resolution and the Bonds conform to the descriptions thereof contained in the Preliminary Official Statement and the Official Statement and the Bonds, when duly issued and authenticated in accordance with the Bond Law and the Bond Resolution and delivered to the Underwriter as provided herein, will be validly issued and outstanding obligations of the Issuer, entitled to the benefits of the Bond Law and the Bond Resolution, and payable from the sources therein specified.

(d) The Issuer has executed, adopted and delivered, or will execute, adopt and deliver, as the case may be, on or before the Closing Date, each of the Legal Documents. Each of the Legal Documents constitutes, or will, as of the Closing Date, constitute, a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject to any applicable bankruptcy, insolvency or other laws affecting creditors' rights or remedies heretofore or hereafter enacted. Each of the Legal Documents has been executed, adopted and delivered, or will be executed, adopted and delivered, as the case may be, on or before the Closing Date, by each respective signatory and is currently in full force and effect or, as of the Closing Date, will be in full force and effect.

(e) The Issuer is not in breach of or default under any constitutional provision, law or administrative regulation of the State of California (the "State") or of the United States or any agency or instrumentality of either, or of any other governmental agency, or any Material Judgment or Agreement (as defined below) which would have a material adverse impact on its ability to fulfill its obligations under the Bonds, the Bond Resolution, or the Purchase Agreement, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a default or event of default under any Material Judgment or Agreement which would have a material adverse impact on its ability to fulfill its obligations under the Bonds, the Bond Resolution, or the Purchase Agreement; and the adoption of the Bond Resolution, the issuance, delivery and sale of the Bonds and the execution and delivery of the other Legal Documents and compliance with and performance of the Issuer's obligations therein and herein will not in any material respect conflict with, violate or result in a breach of or constitute a default under, any such constitutional provision, law, administrative regulation or any Material Judgment or Agreement, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Issuer (except as described in or contemplated by the Legal Documents and the Official Statement) or under the terms of any such law, administrative regulation or Material Judgment or Agreement. As used herein, the term "Material Judgment or Agreement" means any judgment or decree or any loan agreement, indenture, bond, note, ordinance or resolution or any material agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its property or assets is otherwise subject (including, without limitation, the Bond Law, the Bond Resolution and the other Legal Documents).

(f) All approvals, consents and orders of any governmental authority, board, agency, council, commission or other body having jurisdiction which would constitute a condition precedent to the performance by the Issuer of its obligations hereunder and under the Legal Documents have been obtained; provided, that the Issuer makes no representations as to any approvals, consents or other actions which may be necessary to qualify the Bonds for offer and sale under Blue Sky or other state securities laws or regulations.

(g) Any certificates executed by any officer of the Issuer and delivered to the Underwriter pursuant hereto or in connection herewith shall be deemed a representation and warranty of the Issuer as to the accuracy of the statements therein made.

(h) Between the date hereof and the time of the closing on the Closing Date, the Issuer shall not, without the prior written consent of the Underwriter, offer or issue in any material amount any bonds, notes or other obligations for borrowed money, similarly secured or

payable from the General Fund of the Issuer, or incur any material liabilities, direct or contingent, except in the course of normal business operations of the Issuer or except for such borrowings as may be described in or contemplated by the Official Statement.

(i) The audited financial statements of the Issuer as of June 30, 2021 fairly represent the receipts, expenditures, assets, liabilities and cash balances of the Issuer and, insofar as presented, other funds of the Issuer as of the dates and for the periods therein set forth. Except as disclosed in the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the Issuer or in its operations since June 30, 2021 and there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(j) Except for information which is permitted to be omitted pursuant to Rule 15c2-12(b)(1), the Preliminary Official Statement (excluding therefrom information relating to The Depository Trust Company (“DTC”) and its book-entry system), as of its date and as of the date hereof was and is true and correct in all material respects and did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) The Official Statement is, as of its date and at all times after the date of the Official Statement (excluding therefrom information relating to DTC and its book-entry system) up to and including the Closing Date will be, true and correct in all material respects and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(l) If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended) at all times subsequent thereto up to and including that date that is 25 days from the “end of the underwriting period” (as defined in Rule 15c2-12), the Official Statement as so supplemented or amended will be true and correct in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) If between the date hereof and the end of the underwriting period, any event shall occur which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter thereof, and if, in the reasonable opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer shall promptly (and in any event before the Closing) prepare and furnish (at the expense of the Issuer) a reasonable number of copies of an amendment or supplement to the Official Statement in form and substance reasonably satisfactory to the Underwriter.

(n) Except as described in the Preliminary Official Statement and Official Statement, no litigation, proceeding or official investigation of any governmental or judicial body is pending against the Issuer or against any other party of which the Issuer has notice or, to the knowledge of the Issuer, threatened against the Issuer: (i) seeking to restrain or enjoin the issuance, sale or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity or binding effect of any of the Legal Documents, (iii) which is in any way contesting the creation, existence, powers or jurisdiction of the Issuer or the validity or effect of the Bond Resolution or the Bond Law or any provision thereof or the application of the proceeds of the Bonds, (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or (v) which, if adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Preliminary Official Statement and Official Statement or any of the Legal Documents. The Issuer shall advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Preliminary Official Statement or the Official Statement in connection with the offering, sale or distribution of the Bonds.

(o) During the last five years, the Issuer has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

(p) The Issuer, to the best of its knowledge, has never been and is not in default in the payment of principal of, premium, if any, or interest on, or otherwise is not nor has it been in default with respect to, any bonds, notes, or other obligations which it has issued, assumed or guaranteed as to payment of principal, premium, if any, or interest.

All representations, warranties and agreements of the Issuer shall remain operative and in full force and effect, regardless of any investigations made by the Underwriter or on the Underwriter's behalf, and shall survive the delivery of the Bonds.

6. CLOSING.

At 8:00 A.M., California Time, on [_____], 2022, or at such other time or date as the Underwriter and the Issuer may mutually agree upon as the date and time of the closing (the "Closing Date"), the Issuer will deliver or cause to be delivered to the Underwriter at the offices of Jones Hall, A Professional Law Corporation ("Bond Counsel"), 475 Sansome Street, Suite 1700, San Francisco, California 94111, or at such other place as the Underwriter and the Issuer may mutually agree upon, the documents specified in Section 7. On the Closing Date, (a) upon satisfaction of the conditions herein specified, the Underwriter shall accept the delivery of the Bonds, and pay the purchase price therefor in federal funds payable as directed by the Issuer and (b) the Issuer shall deliver or cause to be delivered the duly executed and authenticated Bonds to the Underwriter through the facilities of DTC in definitive or temporary form, duly executed by the Issuer and in the authorized denominations as specified by the Underwriter at the closing and the Issuer shall deliver the other documents hereinafter mentioned. The Bonds shall be made

available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection.

7. CONDITIONS PRECEDENT.

The Underwriter has entered into this Purchase Agreement in reliance upon the representations and agreements of the Issuer contained herein and the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the Closing Date. The Underwriter's obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(a) The representations of the Issuer contained herein shall be true, complete and correct in all material respects on the date of acceptance hereof and on and as of the Closing Date.

(b) At the time of the closing on the Closing Date, the Official Statement, the Bond Resolution and the other Legal Documents shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter.

(c) The Issuer shall perform or have performed all of its obligations required under or specified in the Bond Resolution, the other Legal Documents and the Official Statement to be performed at or prior to the Closing Date.

(d) The Issuer shall have delivered to the Underwriter final Official Statements by the time, and in the numbers, required by Section 3 of this Purchase Agreement.

(e) As of the date hereof and at the time of closing on the Closing Date, all necessary official action of the Issuer relating to the Legal Documents and the Official Statement shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect absent the written agreement of the Underwriter.

(f) After the date hereof, up to and including the time of the closing on the Closing Date, there shall not have occurred any change in or affecting the Issuer, the Bond Law, the Bond Resolution or the other Legal Documents as the foregoing matters are described in the Preliminary Official Statement and the Official Statement, which in the reasonable professional judgment of the Underwriter materially and adversely affects the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds.

(g) At or prior to the Closing Date, the Underwriter shall receive the following documents (in each case with only such changes as the Underwriter shall approve in writing):

- i. The approving opinion of Bond Counsel relating to the Bonds, dated the Closing Date, substantially in the form attached as Appendix D to the Official Statement, and, if not otherwise directly addressed to the Underwriter, a reliance letter with respect thereto addressed to the Underwriter;

ii. The supplemental opinion of Bond Counsel, addressed to the Underwriter, dated the Closing Date, to the effect that:

1. This Purchase Agreement has been duly executed and delivered by the Issuer and is a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms, subject to laws relating to bankruptcy, insolvency, reorganization or creditors' rights generally, to the application of equitable principles, the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;
2. The statements contained in the Preliminary Official Statement and the Official Statement on the cover page and in the sections entitled "INTRODUCTION," "THE BONDS," (other than the information concerning DTC and the book-entry system) "SECURITY FOR THE BONDS" insofar as such statements expressly summarize certain provisions of the Bond Law, the Bond Resolution, the Bonds, and the form and content of such counsel's opinion attached as Appendix D to the Preliminary Official Statement and the Official Statement, are accurate in all material respects; and
3. The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the Bond Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act");

iii. A letter, dated the Closing Date and addressed to the Underwriter, from Jones Hall, A Professional Law Corporation, as disclosure counsel to the City, to the effect that based upon the information made available to them in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Preliminary Official Statement and the Official Statement, and having made no independent investigation or verification thereof, nothing has come to their attention which would lead them to believe that the Preliminary Official Statement, as of its date, did not and does not, and the Official Statement as of its date and all times subsequent thereto during the period up to and including the Closing Date, did not and does not, contain an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect;

iv. The opinion of Burke, Williams & Sorensen, LLP, as Attorney to the Issuer, dated the date of the Closing and addressed to the Underwriter, to the effect that:

1. The Issuer has been duly organized and is validly existing under the Constitution and laws of the State, and has all requisite power and

authority thereunder: (a) to adopt the Bond Resolution, and to enter into, execute, adopt, deliver and perform its covenants and agreements under the Legal Documents; (b) to approve and authorize the use, execution and distribution of the Preliminary Official Statement and the Official Statement; and (c) to carry on its activities as currently conducted;

2. The Issuer has taken all actions required to be taken by it before the Closing Date material to the transactions contemplated by the documents mentioned in paragraph (a) above, and the Issuer has duly authorized the execution, adoption and delivery of, as the case may be, and the due performance of its obligations under, the Legal Documents;
3. The Bond Resolution was duly adopted by the City Council of the Issuer at meetings of the City Council of the Issuer which were called and held pursuant to law and with all required notices and in accordance with all applicable open meetings laws and at which a quorum was present and acting at the time of the adoption of the Bond Resolution, as applicable;
4. The adoption of the Bond Resolution, the execution and delivery by the Issuer of the other Legal Documents and the compliance with the provisions of the Legal Documents, do not and will not conflict with or violate any California constitutional, statutory or regulatory provision, or, to the best of such counsel's knowledge after due inquiry, conflict with or constitute on the part of the Issuer a breach of or default under any agreement or instrument to which the Issuer is a party or by which it is bound which would have a material adverse impact on its ability to fulfill its obligations under the Bonds, the Bond Resolution, or the Purchase Agreement;
5. The Legal Documents constitute legal, valid and binding obligations of the Issuer and are enforceable according to the terms thereof, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights generally, and by the application of equitable principles if equitable remedies are sought, by the exercise of judicial discretion and the limitations on legal remedies against public entities in the State;
6. No litigation is pending or, to the best of such counsel's knowledge after due inquiry, threatened against the Issuer in any court in any way affecting the titles of the officials of the Issuer to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of

the Bond Resolution or the other Legal Documents, or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the Issuer or its authority with respect to the Bond Resolution or the other Legal Documents;

7. The information contained in the Preliminary Official Statement, as of its date and as of the date hereof and the Official Statement as of its date and as of the Closing Date under the caption “LEGAL MATTERS – Absence of Material Litigation” does not contain any untrue statement of a material fact and does not omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;
8. To the best of such counsel’s knowledge after due inquiry, no authorization, approval, consent or other order of the State or any local agency of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the Issuer of the Legal Documents and the authorization and distribution of the Preliminary Official Statement and the Official Statement (provided that no opinion need be expressed as to any action required under state securities or Blue Sky laws in connection with the purchase of the Bonds by the Underwriter); and
9. To the best of such counsel’s knowledge after due inquiry, the Issuer is not in breach of or default under any applicable law or administrative regulation of the State or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially adversely affect the Issuer’s ability to adopt or enter into or perform its obligations under the Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument and which would materially adversely affect the Issuer’s ability to adopt, enter into or perform its obligations under the Legal Documents;
 - v. The opinion of Katten Muchin Rosenman LLP, counsel to the Underwriter, dated the Closing Date and addressed to the Underwriter, and covering such matters as the Underwriter may reasonably request;
 - vi. A certificate, dated the Closing Date, signed by an authorized officer of the Issuer to the effect that: (a) the representations and agreements of the Issuer contained herein are true and correct in all material respects as of the Closing Date; (b) the Legal Documents have been duly authorized, adopted and executed, as the case may be, and are in full force and effect; (c) except as described in the

Preliminary Official Statement as of its date and the Official Statement as of its date, no litigation is pending or, to his or her knowledge, threatened (i) seeking to restrain or enjoin the issuance or delivery of the Bonds, (ii) in any way contesting or affecting any authority for the issuance of the Bonds or the validity of the Bonds, the Bond Resolution or any Legal Document, (iii) in any way contesting the creation, existence or powers of the Issuer or the validity or effect of the Bond Law or the Bond Resolution or any provision thereof or the application of the proceeds of the Bonds, or (iv) which, if adversely determined, could materially adversely affect the financial position or operating condition of the Issuer or the transactions contemplated by the Preliminary Official Statement as of its date and the Official Statement as of its date and as of the Closing Date or any Legal Document; and (d) the Official Statement is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that no review has been made of information in the Official Statement related to DTC and its book-entry system;

vii. Executed or certified copies of the Bond Resolution;

viii. Executed or certified copies of each other Legal Document;

ix. A Tax Certificate of the Issuer, in form satisfactory to Bond Counsel, executed by such officials of the Issuer as shall be reasonably satisfactory to the Underwriter;

x. Evidence that the Bonds have been assigned the rating from [_____] as set forth in the Official Statement;

xi. A certificate of an authorized officer of the Paying Agent, in form and substance reasonably satisfactory to the Issuer, Bond Counsel, the Underwriter and counsel for the Underwriter.

xii. Evidence that a Form 8038-G relating to the Bonds has been executed by the Issuer and will be filed with the Internal Revenue Service (the “IRS”) within the applicable time limit:

xiii. A copy of the Blue Sky Survey with respect to the Bonds;

xiv. A copy of the Issuer’s executed Blanket Letter of Representation to DTC; and

xv. Such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter, counsel for the Underwriter or Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer herein contained and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be

performed and all conditions then to be satisfied by the Issuer and all conditions precedent to the issuance of the Bonds pursuant to the Bond Law and Bond Resolution shall have been fulfilled.

8. TERMINATION.

If the Issuer shall be unable to satisfy the conditions of the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement may be cancelled by the Underwriter at, or at any time before the Closing Date. Notice of such cancellation shall be given by the Underwriter to the Issuer in writing, or by telephone confirmed in writing. The performance by the Issuer of any and all conditions contained in this Purchase Agreement for the benefit of the Underwriter may be waived by the Underwriter.

(a) The Underwriter shall also have the right, before the Closing Date, to cancel its obligations to purchase the Bonds, by written notice to the Issuer, if between the date hereof and the Closing Date:

(i) Any event or circumstance occurs or information becomes known, which, in the professional judgment of the Underwriter, makes untrue any statement of a material fact set forth in the Preliminary Official Statement as amended or supplemented in accordance with the terms hereof or the Official Statement or results in an omission to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(ii) The market for the Bonds or the market prices of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall have been materially and adversely affected, in the professional judgment of the Underwriter, by:

(1) An amendment to the Constitution of the United States or the State shall have been passed or legislation shall have been introduced in or enacted by the Congress of the United States or the legislature of the State or legislation pending in the Congress of the United States shall have been amended or legislation (whether or not then introduced) shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation shall have been proposed (whether or not then introduced) for consideration by either such Committee by any member thereof or presented as an option for consideration (whether or not then introduced) by either such Committee by the staff of such Committee or by the staff of the joint Committee on Taxation of the Congress of the United States, or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the

United States or of the State or the Tax Court of the United States, or a ruling shall have been made or a regulation or temporary regulation shall have been proposed or made or any other release or announcement shall have been made by the Treasury Department of the United States, the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the Issuer or upon interest received on obligations of the general character of the Bonds which, in the judgment of the Underwriter, may have the purpose or effect, directly or, indirectly, of affecting the tax status of the Issuer, its property or income, its securities (including the Bonds) or the interest thereon, or any tax exemption granted or authorized by State legislation; or

(2) The declaration of war or engagement in or escalation of military hostilities by the United States or the occurrence of any other national emergency or calamity or terrorism affecting the operation of the government of, or the financial community in, the United States; or

(3) The declaration of a general banking moratorium by federal, New York or California authorities; or

(4) The occurrence of a major financial crisis, a material disruption in commercial banking or securities settlement or clearance services, or a material disruption in the fixed income or municipal securities market; or

(5) Additional material restrictions not in force or being enforced as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; or

(6) The general suspension of trading on any national securities exchange; or

(iii) Legislation enacted, introduced in the Congress or recommended for passage (whether or not then introduced) by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter shall have been made or issued to the effect that the Bonds, other securities of the Issuer or obligations of the general character of the Bonds are not exempt from registration under the 1933 Act, or that the Bond Resolution is not exempt from qualification under the Trust Indenture Act; or

(iv) Any change in or particularly affecting the Issuer, the Bond Law, the Bond Resolution or the other Legal Documents as the foregoing matters are described in the Preliminary Official Statement or the Official Statement, which in the professional judgment of the Underwriter materially impairs the investment quality of the Bonds; or

(v) An order, decree or injunction of any court of competent jurisdiction, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws as amended and then in effect; or

(vi) A stop order, ruling, regulation or official statement by the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the issuance, offering or sale of the Bonds, or the adoption, execution and delivery of any Legal Documents, as contemplated hereby or by the Preliminary Official Statement or the Official Statement, is or would be in violation of any applicable law, rule or regulation, including (without limitation) any provision of applicable federal securities laws, including the 1933 Act, the Securities Exchange Act of 1934 or the Trust Indenture Act, each as amended and as then in effect; or

(vii) Any litigation shall be instituted or be pending on the Closing Date to restrain or enjoin the issuance, sale or delivery of the Bonds, or in any way contesting or affecting any authority for or the validity of the proceedings authorizing and approving the Bond Resolution, the Legal Documents or the existence or powers of the Issuer with respect to its obligations under the Legal Documents; or

(vii) A reduction or withdrawal in the assigned rating to the Bonds as described above, or, as of the Closing Date, the failure by [_____] to assign the rating described above to the Bonds.

9. AMENDMENTS TO OFFICIAL STATEMENT.

During the period commencing on the Closing Date and ending twenty-five (25) days from the end of the underwriting period, the Issuer shall advise the Underwriter if any event relating to or affecting the Official Statement shall occur as a result of which it may be necessary or appropriate to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser or “potential customer” (as defined for purposes of Rule 15c2-12). If the Official Statement is supplemented or amended, at the time of each supplement or amendment thereto and at all times subsequent thereto up to and including that date that is 25 days from the end of the “underwriting period” (as defined in Rule 15c2-12), the Official Statement as supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and shall amend or supplement the Official Statement (in form and substance reasonably satisfactory to counsel for the Underwriter) so that the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

10. EXPENSES.

All expenses and costs of the Issuer incident to the performance of its obligations in connection with the authorization, issuance and sale of the Bonds to the Underwriter, including the costs of printing or reproduction of the Bonds, the Legal Documents and the Official Statement in reasonable quantities, fees of consultants, fees of rating agencies, advertising expenses, fees and expenses of the Paying Agent and fees and expenses of counsel to the Issuer, including the City Attorney and Bond Counsel, shall be paid by the Issuer from the proceeds of the Bonds or other revenues of the Issuer. All expenses and costs of the Underwriter incurred with respect to the Bonds or under or pursuant to this Purchase Agreement, including, without limitation, the cost of preparing this Purchase Agreement and other Underwriter documents, travel expenses and the fees and expenses of counsel to the Underwriter, shall be paid by the Underwriter (which may be included as an expense component of the Underwriter's discount). The Underwriter shall also be responsible for payment of the fee due to the California Debt and Investment Advisory Commission (CDIAC) related to the Bonds.

11. USE OF DOCUMENTS.

The Issuer hereby authorizes the Underwriter to use, in connection with the public offering and sale of the Bonds, this Purchase Agreement, the Preliminary Official Statement, the Official Statement and the Legal Documents, and the information contained herein and therein.

12. QUALIFICATION OF SECURITIES.

The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; *provided, however*, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

13. NOTICES.

Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing to City of Menlo Park, 701 Laurel Street, Menlo Park, California 94025, Attention Marvin Davis, Interim Finance Director and any such notice or other communication to be given to the Underwriter may be given by delivering the same in writing to BofA Securities, Inc., 555 California Street, Suite 1160, San Francisco, California 94104, Attention: Holly Vocal, Managing Director.

14. BENEFIT.

This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including their successors or assigns) and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof. Except as otherwise expressly provided herein, all of the agreements and representations of the Issuer contained in this Purchase Agreement and in any certificates delivered pursuant hereto shall remain operative and in full force and effect regardless of: (i) any investigation made by or on behalf of the Underwriter; (ii) delivery

of and payment for the Bonds hereunder; or (iii) any termination of this Purchase Agreement, other than pursuant to Section 8.

15. GOVERNING LAW. THIS PURCHASE AGREEMENT SHALL BE DEEMED TO BE A CONTRACT UNDER, AND FOR ALL PURPOSES SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO CHOICE OF LAW RULES.

16. WAIVER OF JURY TRIAL. THE ISSUER HEREBY IRREVOCABLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS PURCHASE AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

17. MISCELLANEOUS.

(a) This Purchase Agreement contains the entire agreement between the parties relating to the subject matter hereof and supersedes all oral statements, prior writings and representations with respect thereto.

(b) This Purchase Agreement may be executed in several counterparts, each of which shall be deemed an original hereof.

[Signature page follows]

Very truly yours,

BOFA SECURITIES, INC.,
as Underwriter

By: _____
Authorized Officer

Approved and Agreed to: [_____] , 2022

CITY OF MENLO PARK

By: _____
Authorized Officer

SCHEDULE I

Maturities, Principal Amounts, Interest Rates, Yields, Prices and Redemption Provisions

\$[_____]
CITY OF MENLO PARK
2022 GENERAL OBLIGATION BONDS
(2001 Election)

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price
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\$[_____] [_____] % Term Bond due August 1, 20[___]; Yield: [___] % Price: [_____] ^C
\$[_____] [_____] % Term Bond due August 1, 20[___]; Yield: [___] % Price: [_____] ^C

^C Priced to first par optional call date of August 1, 20[___].

Redemption Provisions:

Optional Redemption. The Bonds maturing on or before August 1, 20[___], are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after August 1, 20[___], are subject to redemption prior to maturity, at the option of the Issuer, in whole or in part among maturities on such basis as designated by the Issuer and by lot within a maturity, from any available source of funds, on August 1, 20[___], and on any date thereafter, at a redemption price equal to 100% of the principal amount of Bonds to be redeemed together with accrued interest thereon to the date fixed for redemption, without premium.

Mandatory Sinking Fund Redemption. The Term Bonds maturing on August 1, 20[___] and August 1, 20[___] (the “Term Bonds”) are subject to redemption prior to their stated maturity date, without a redemption premium, in part by lot, from mandatory sinking fund payments on each August 1, on and after August 1, 20[___], in the principal amounts as set forth in the following tables:

\$_[_____] Term Bond Due August 1, 20[___]

Payment Date (August 1)	Payment Amount
<hr/>	

(Maturity)

\$_[_____] Term Bond Due August 1, 20[___]

Payment Date (August 1)	Payment Amount
<hr/>	

(Maturity)

If some but not all of the Term Bonds have been optionally redeemed, the aggregate principal amount of Term Bonds to be subject to Mandatory Sinking Fund Redemption in each year will be reduced on a pro rata basis in integral multiples of \$5,000, as designated in written notice filed by the Issuer with the Paying Agent.

EXHIBIT A

\$[_____]
CITY OF MENLO PARK
2022 GENERAL OBLIGATION BONDS
(2001 Election)

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of BofA Securities, Inc. (“BofAS”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the Bonds.*** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Pricing Wire or Equivalent Communication.*** A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

3. ***Defined Terms.***

(a) ***Issuer*** means City of Menlo Park.

(b) ***Maturity*** means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) ***Underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents BofAS’ interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall, A Professional Law Corporation in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal

Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds. The certifications contained herein are not necessarily based on personal knowledge of the undersigned but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein.

BOFA SECURITIES, INC.

By: _____

Name: _____

Dated: [_____] , 2022

SCHEDULE A
SALE PRICES OF THE BONDS

\$[_____]
CITY OF MENLO PARK
2022 GENERAL OBLIGATION BONDS
(2001 Election)

Maturity Date (August 1)	Principal Amount	Interest Rate	Yield	Price
---	-----------------------------------	--------------------------------	--------------	--------------

\$[_____] [_____] % Term Bond due August 1, 20[___]; Yield: [_____] % Price: [_____] ^C

\$[_____] [_____] % Term Bond due August 1, 20[___]; Yield: [_____] % Price: [_____] ^C

^C Priced to first par optional call date of August 1, 20[___].


SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

Use of Bond Proceeds

Bond proceeds will be used for renovating and expanding the City's parks and recreation facilities as approved by voters. Acquisition and construction of a portion of all or a portion of the following parks and recreation facilities are anticipated, though any or all of the projects, except Menlo Park Community Campus which is under construction, may not be completed, or different projects may be undertaken at direction of the City Council:

1. Menlo Park Community Campus. The City expects to use approximately \$8.8 million of Bond proceeds to finance construction of a new community center, library, youth center, senior center and pool facility at 100 Terminal Avenue in conjunction with Meta (formerly Facebook, Inc.) The improvements are expected to be completed in calendar year 2023.
2. Willow Oaks Park. The City expects to use approximately \$3.1 million of Bond proceeds to fund acquisition and construction of a new restroom and dog park improvements, upgrade a play structure and convert a basketball court to a pickle ball court. The Bonds are expected to fund 100% of this project. This project is expected to be complete by the end of calendar year 2023.
3. Playground Update of Burgess Park. The City expects to use approximately \$725,414 of Bond proceeds to finance a play structure update at Burgess Park. The City expects this project to be complete in calendar year 2023.
4. Bedwell Bayfront Park Entrance Improvements. The City expects to use approximately \$950,000 of Bond proceeds to finance entrance beautification and bicycle/pedestrian access improvements. This project is in design and expected to be complete in calendar year 2024.
5. Menlo Children's Center. The City expects to use approximately \$724,586 of Bond proceeds to finance renovation of an existing building, remove a wall, and create kitchen, storage and reception space. The City expects this project to be completed as part of the City's Parks and Recreation master plan by calendar year 2026.

2022 Bond Proceeds	Amount
CPB001 Menlo Park Community Center	8,800,000
CPP011 Willow Oaks Park Improvements	3,100,000
CPP007 Park Playground Equipment	725,414
CPP003 Bedwell Bayfront Park Entrance	950,000
CPP008 Master Plan: Menlo Children's Center	724,586
Total	14,300,000



**2022 GENERAL OBLIGATION BONDS
AND 2022 GENERAL OBLIGATION
REFUNDING BONDS (2001 ELECTION)**



RECOMMENDATION

- Adopt a resolution approving the issuance of 2022 General Obligation Refunding Bonds and related documents and actions to refund outstanding 2012 General Obligation Refunding Bonds
 - Will result in debt service savings and lower property tax payments in the City related to the 2012 General Obligation Refunding Bonds
 - Amend the Resolution to add a new sentence at the end of the first paragraph of Section 3: “The Refunding Bonds may be sold as federally tax-exempt bonds or federally taxable bonds.
- Adopt a resolution approving the issuance of 2022 General Obligation Bonds and related documents and actions
 - Will provide funds to finance parks and recreation facilities in furtherance of Measure T



MEASURE T GENERAL OBLIGATION BONDS



- Measure T authorized the issuance of \$38 million in General Obligation Bonds to renovate and expand the City's parks and recreation facilities
 - Highest tax rate required to service all bonds shall not exceed \$14 per \$100,000 in assessed value
- 2002 Bonds; 2012 Refunding Bonds
 - \$13,245,000 issued in 2002
 - 2012 Bonds refunded 2002 Bonds
- 2009 Bonds; 2019 Refunding Bonds
 - \$10,440,000 issued in 2009
 - 2019 Bonds refunded 2009 Bonds
- City has \$14,315,000 of remaining new money bonding capacity under Measure T



2022 GENERAL OBLIGATION REFUNDING BONDS



- Capital One, owner of the 2012 Refunding Bonds, has agreed to accelerate refunding of the 2012 Refunding Bonds
 - Offered to purchase 2022 General Obligation Refunding Bonds to refund 2012 Refunding Bonds at a lower interest rate and at a premium (old rate of 3.75% vs. new rate of 2.715%)
 - Approximately \$358,000 in NPV savings, or 6% of refunded par
 - Savings are net of all professional fees
- Resolution approves
 - Paying Agent Agreement
 - Irrevocable Refunding Instructions
 - Financing Team



2022 GENERAL OBLIGATION BONDS

- Issue remaining authorization of \$14,315,000 to finance construction, acquisition, and improvement of parks and recreation facilities
 - Menlo Park Community Camps, Willow Oaks Park, Burgess Park
- Recommended bond structure
 - Final maturity in 2039 (17 years) to match final maturity of outstanding bonds
 - Level debt service to lower the overall interest expense
 - Estimated True Interest Cost of 3.35% and total payment through maturity of \$22.15 million
- Estimated tax rates 2023-2039
 - Average: \$6.69 per \$100K AV
 - Min: \$5.13 per \$100K AV
 - Max: \$8.58 per \$100K AV



2022 GENERAL OBLIGATION BONDS

- Resolution approves financing team
 - Urban Futures, Inc. as Municipal Advisor
 - Jones Hall, A Professional Law Corporation as Bond and Disclosure Counsel
 - The Bank of New York Mellon Trust Company, N.A. as Paying Agent
 - BofA Securities as Underwriter (through approval of Bond Purchase Agreement)
- Resolution approves following documents
 - Paying Agent Agreement
 - Costs of Issuance Custody Agreement
 - Project Fund Custody Agreement
 - Bond Purchase Agreement
 - Preliminary Official Statement
 - Continuing Disclosure Certificate



NEXT STEPS*

- April 14: Rating agency presentation and close refunding
- April 20: Receive rating
- April 21: Post Preliminary Official Statement
- Week of April 25: Bond Pricing
- Week of May 9: Close bond transaction and deliver project funds

*Preliminary, subject to change



THANK YOU



STAFF REPORT

City Council

Meeting Date:

4/12/2022

Staff Report Number:

22-068-CC

Regular Business:

Discussion on and direction to staff regarding potential residential zoning changes

Recommendation

Staff recommends that the City Council discuss and provide further direction to staff regarding residential density changes throughout the City.

Policy Issues

Pursuant to previous direction from the City Council December 8, 2021, this agenda item provides the City Council the opportunity to further direct staff regarding decreasing residential density in the R-MU (Residential Mixed-Use) zoning district in the Bayfront Area of District 1, and increasing density elsewhere (in Districts, 2, 3, 4 and 5) in the City. The City Council may direct staff to initiate the process of implementing zoning changes to reduce the allowed density in the R-MU zoning district and increase density elsewhere in the City. The implications of such zoning changes in light of the Housing Crisis Act's no-net-loss provisions are discussed below.

Background

On December 8, 2021, the City Council directed City staff to research and analyze the process to effectuate a downzoning in the Bayfront Area of District 1 and corresponding upzoning consistent with SB 330 requirements, and its effect to planning for new housing in the Housing Element period (3-1-1, City Councilmembers Combs dissenting and Mueller abstaining.)

In 2016, the City Council established the R-MU zoning district and rezoned 31 parcels as part of the ConnectMenlo General Plan Update. The goal was to create a live/work/play environment in the Bayfront Area, and to provide opportunities for the addition of residential uses and/or mixed use developments in an area that had historically been light manufacturing, warehousing, office, and research and development. The permitted residential densities range from a minimum of 20 dwelling units per acre (du/ac) to 30 du/ac at the base level and up to 100 du/ac with the provision of providing a community amenity at the bonus level. Since the adoption of the General Plan Update, four projects in the R-MU district have been approved and two additional projects are pending. These developments are summarized below in Table 1 and the sites are shown on a map in Attachment A.

Table 1: Approved and pending projects in the R-MU zoning district				
	Lot Size (acres)*	Number of units	Density (dwelling units per acre)	Status
111 Independence Drive	0.92	105	114.1*	Approved
Menlo Portal	3.2	335	104.7*	Approved
Menlo Uptown	4.83	483	100	Approved
Menlo Flats	1.38	158	114.5*	Approved
123 Independence Dr. (Sobrato)	8.15	432	53	Pending
Willow Village	17.45	1730	99.1	Pending
Total	35.93	3243		

*Utilized density bonus provisions to increase density above 100 du/ac

Staff has identified nine (9) remaining parcels in the Bayfront which are zoned R-MU and eligible for bonus level development. These sites currently do not have a pending application or approved project consistent with the R-MU zoning standards. Similar to the other R-MU parcels in the Bayfront Area, these parcels have a base maximum density of 30 dwelling units per acre (du/ac) and are eligible for a bonus level density of 100 du/ac, subject to the provision of community amenities.¹ These 9 parcels are summarized below in Table 2 and identified on a map in Attachment B.

Table 2: Remaining R-MU zoned properties			
	Approximate lot size (acres)	Maximum residential units at the base density (30 du/ac)	Maximum residential units at the bonus density (100 du/ac)
3695 Haven Ave.	0.67	20	67
3750 Haven Ave.	2.34	70	234
120 Constitution Dr.	1.04	31	104
150 Constitution Dr.	1.03	30	103
160 Constitution Dr.	1.44	43	144
190 Constitution Dr.	0.69	20	69
1215 Chrysler Dr.	0.69	20	69
101 Jefferson Dr.	1.53	45	153
155 Jefferson Dr.	1.38	41	138
Total	10.81	320	1081

¹ See MPMC § 16.45.060 - .070

Analysis

The Housing Crisis Act of 2019, often referred to as SB 330, prohibits a city from approving a zoning change that reduces the theoretical capacity for developing residential uses (also known as “downzoning”), unless additional residentially-zoned parcels are concurrently provided elsewhere in the city (“upzoning”) that equal or exceed the amount of residential development capacity removed from the downzoned parcels.² Replacing the downzoned parcels with upzoned parcels is required to ensure that there is “no net loss” of housing development capacity in the City.

When downzoning is initiated by the City, the upzoning must occur at the same meeting as the downzoning in order to be considered “concurrent.”³ Therefore, any reduction in residential density may only occur if, at the same City Council meeting where such reduction is approved, the City Council also approves an increase in residential density of other identified parcels across the City.

The City could implement the rezoning through the following procedures: (1) the City could amend the land use element of the ConnectMenlo General Plan and make corresponding changes to the map and text of the Zoning Code to reduce density in the R-MU District and increase density elsewhere in the City; the land use element and Zoning Code amendments would require standalone environmental review (which may be able to tier from the ConnectMenlo EIR); or in the alternative, (2) the City could approve the General Plan and Zoning Code changes as a part of its Housing Element update; the zoning changes would then be analyzed in the Housing Element EIR (which to a large extent will tier from the ConnectMenlo EIR.) Until the zoning changes become effective, applicants for housing development projects can submit preliminary applications to vest the current zoning standards (of 100 du/ac in the R-MU), regardless of any future changes.

The City Council may provide direction regarding which procedure to utilize in order to implement the zoning changes. However, for a number of reasons, staff recommends that if the City Council pursues the rezoning, it does so as a part of the Housing Element Update. First, staff anticipates that many of the upzoned parcels outside of the Bayfront Area will also be parcels identified in the City’s sixth Cycle RHNA; therefore, much of the analysis regarding the development potential of replacement housing sites will mirror the analysis being conducted regarding eligible housing sites for the City’s RHNA. Additionally, if approved along with the Housing Element update, the rezoning can be analyzed in the Housing Element EIR thus negating the need for standalone environmental review. Finally, staff anticipates that it has limited resources to pursue rezoning in advance of the Housing Element update, especially given the State mandated deadlines, and could more easily allocate resources to the zoning changes if they are coupled with Housing Element work.

Adequacy of replacement sites

Replacement housing sites would likely need to meet certain requirements to ensure that housing production on those sites is not only possible, but feasible. When a no net loss issue arises in the context of a housing element update, the replacement housing sites may need to satisfy the same standards as those that are used for identifying “land suitable for residential development” in a city’s housing element sites inventory. These standards are:

- Have infrastructure available or planned to support a housing development.
- Be available to be developed in the planning period. For non-vacant sites, this means that the City must produce substantial evidence that the existing use is not an impediment to additional residential development.

² See Gov. Code § 66300(i)

³ See Gov. Code § 66300(i)(2)(a.)

- Be appropriately sized (larger than half an acre and smaller than 10 acres) to accommodate lower income housing.
- For sites accommodating lower income households, have appropriate zoning as demonstrated by analysis, or by meeting prescribed densities.
- Identify the number of units (capacity) that can be realistically accommodated on the site.⁴

While these standards are not explicitly identified in the Housing Crisis Act context, identifying replacement housing sites that meet these standards can help ensure that housing production on those sites is feasible. The City's Housing Element consultant, M-Group, is analyzing the development potential of replacement housing sites to provide the City with additional information about how much upzoning would be required and where it could occur to replace the residential development capacity currently possible on the 9 Bayfront sites.

If the City Council wishes to pursue zoning changes in the R-MU district, the City Council may provide direction to the city manager and city attorney on the preferred procedure (i.e., stand-alone or concurrent with the Housing Element) and to work with staff to evaluate the feasibility for downzoning in the Bayfront Area and concurrent upzoning in other areas of the City. The City Council should provide direction on the desired downzoning density to determine the net capacity that would need to be accommodated elsewhere in the City.

Impact on City Resources

Staff and city attorney time spent on the downzoning/upzoning process would not be cost recoverable. The M-Group has indicated that they would be willing to evaluate the downzoning/upzoning as part of their Housing Element contract at no additional cost. Depending on the direction and scope of work, additional funding may be needed to augment the environmental consultant's scope and budget. Staff would return to the City Council at a future meeting to review any amendments.

Environmental Review

The City Council's direction is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment. If the City Council directs staff to pursue downzoning in the Bayfront Area and upzoning in other parts of the City, the rezonings would be subject to additional environmental review, as discussed in greater detail above.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. The City also sent a letter to the property owners of the nine remaining R-MU parcels to provide information regarding the City Council's discussion of potential changes to the residential density in the R-MU district.

Attachments

- A. Map of approved and pending projects in the R-MU zoning district
- B. Map of remaining R-MU zoned properties

⁴ Government Code Section 65583.2.

Staff Report #: 22-068-CC

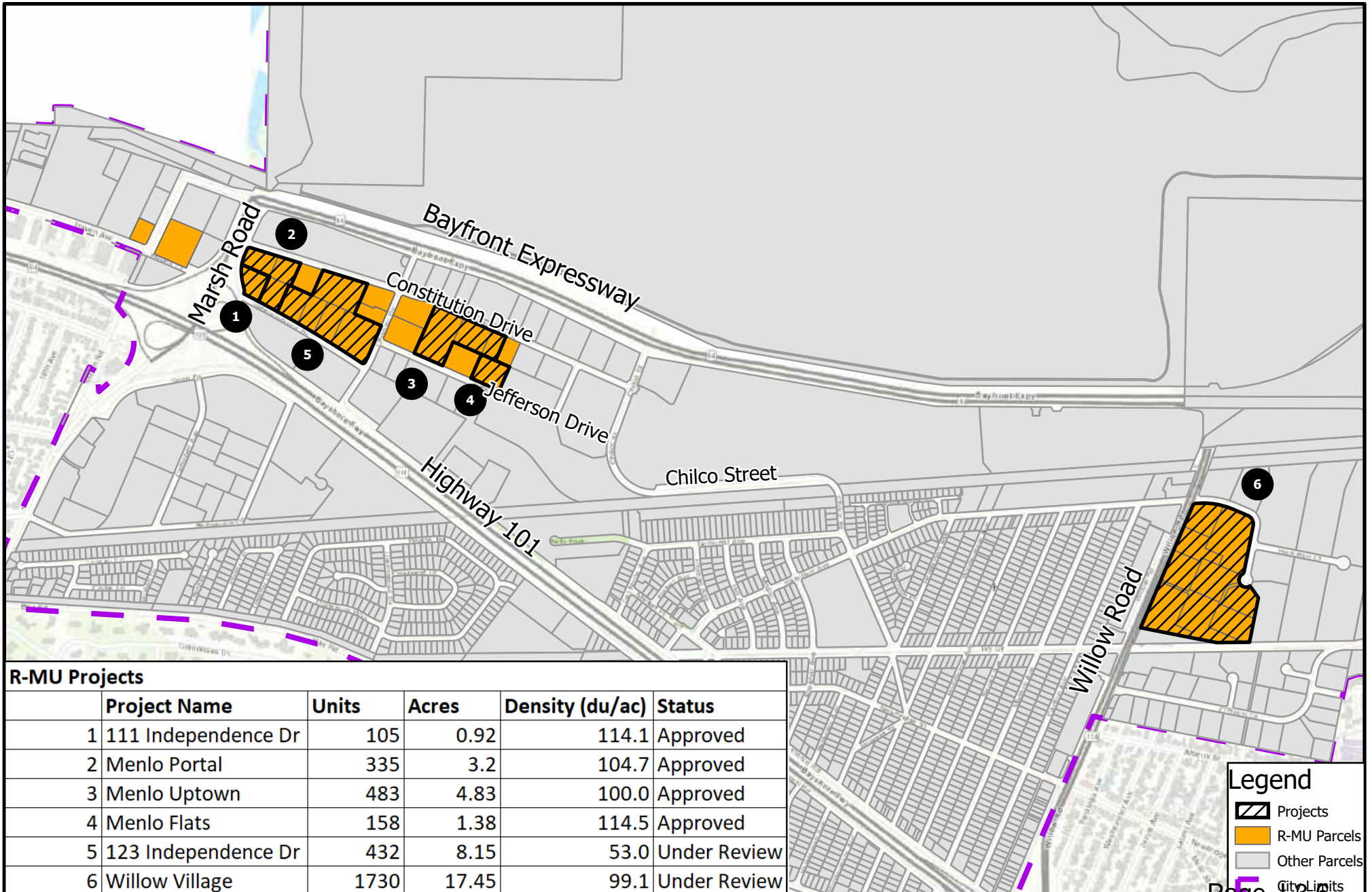
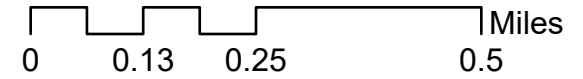
Report prepared by:
Deanna Chow, Assistant Community Development Director

Report reviewed by:
Justin Murphy, Interim City Manager
Nira Doherty, City Attorney

CITY OF MENLO PARK

R-MU Projects

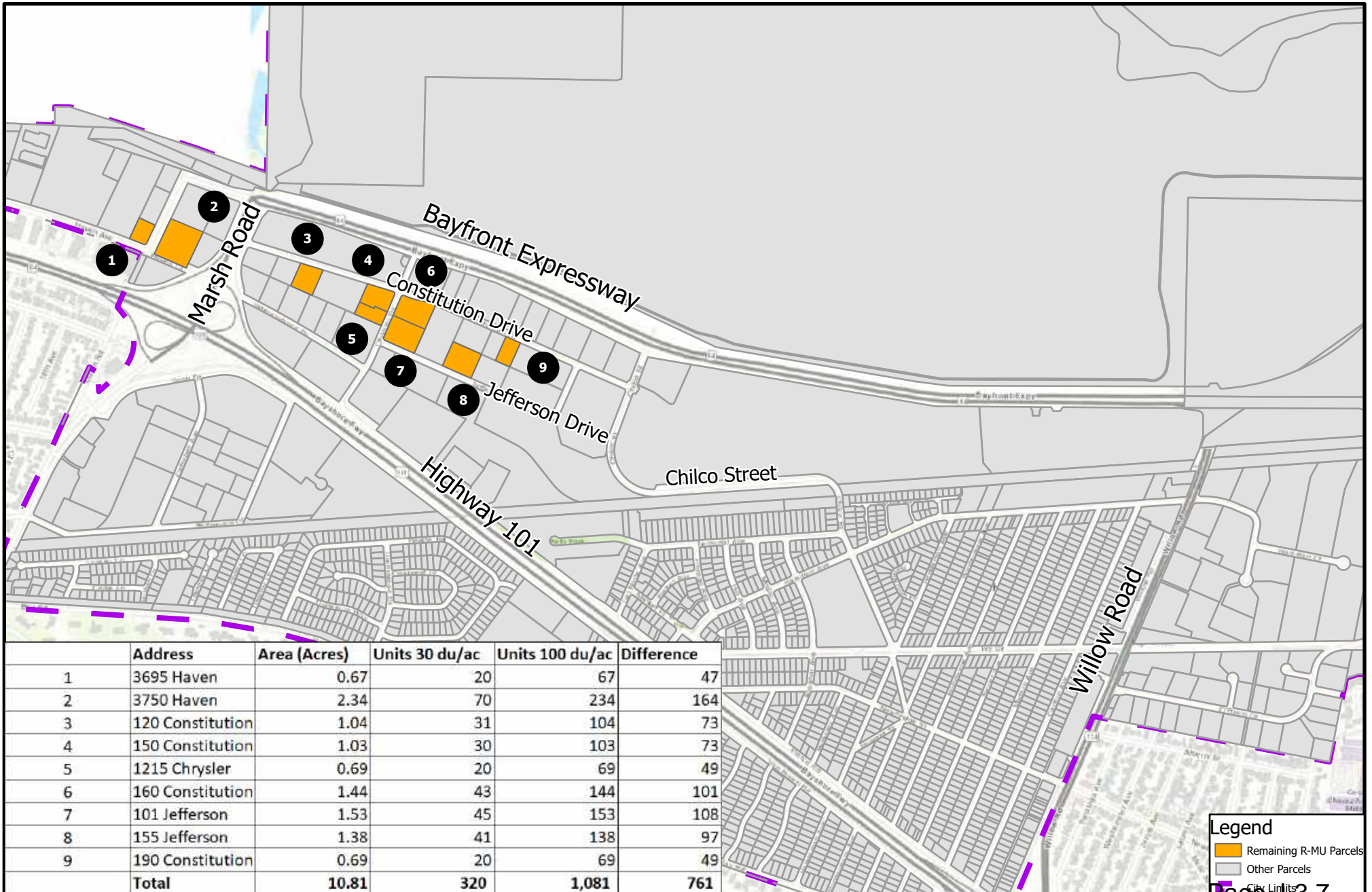
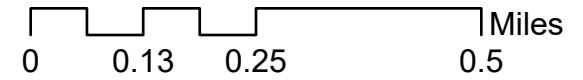
ATTACHMENT A



R-MU Projects					
	Project Name	Units	Acres	Density (du/ac)	Status
1	111 Independence Dr	105	0.92	114.1	Approved
2	Menlo Portal	335	3.2	104.7	Approved
3	Menlo Uptown	483	4.83	100.0	Approved
4	Menlo Flats	158	1.38	114.5	Approved
5	123 Independence Dr	432	8.15	53.0	Under Review
6	Willow Village	1730	17.45	99.1	Under Review

CITY OF MENLO PARK

Remaining R-MU Zoned Parcels



	Address	Area (Acres)	Units 30 du/ac	Units 100 du/ac	Difference
1	3695 Haven	0.67	20	67	47
2	3750 Haven	2.34	70	234	164
3	120 Constitution	1.04	31	104	73
4	150 Constitution	1.03	30	103	73
5	1215 Chrysler	0.69	20	69	49
6	160 Constitution	1.44	43	144	101
7	101 Jefferson	1.53	45	153	108
8	155 Jefferson	1.38	41	138	97
9	190 Constitution	0.69	20	69	49
	Total	10.81	320	1,081	761

Legend

- Remaining R-MU Parcels
- Other Parcels
- City Limits



STAFF REPORT

City Council

Meeting Date: 4/12/2022

Staff Report Number: 22-069-CC

Informational Item: City Council agenda topics: April – May 10, 2022

Recommendation

The purpose of this informational item is to provide the City Council and members of the public access to the anticipated agenda items that will be presented to the City Council. The mayor and city manager set the City Council agenda so there is no action required of the City Council as a result of this informational item.

Policy Issues

In accordance with the City Council procedures manual, the mayor and city manager set the agenda for City Council meetings.

Analysis

In an effort to provide greater access to the City Council's future agenda items, staff has compiled a listing of anticipated agenda items, Attachment A, through May 10, 2022. The topics are arranged by department to help identify the work group most impacted by the agenda item.

Specific dates are not provided in the attachment due to a number of factors that influence the City Council agenda preparation process. In their agenda management, the mayor and city manager strive to compile an agenda that is most responsive to the City Council's adopted priorities and work plan while also balancing the business needs of the organization. Certain agenda items, such as appeals or State mandated reporting, must be scheduled by a certain date to ensure compliance. In addition, the meeting agendas are managed to allow the greatest opportunity for public input while also allowing the meeting to conclude around 11 p.m. Every effort is made to avoid scheduling two matters that may be contentious to allow the City Council sufficient time to fully discuss the matter before the City Council.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. City Council agenda topics: April – May 10, 2022

Report prepared by:
Judi A. Herren, City Clerk

Tentative City Council Agenda

#	Title	Department	Item type	City Council action
1	FY 2022-23 Budget Principles	ASD	Regular	Decide
2	Master Fee Schedule	ASD	Regular	Approve
3	Personnel activity report as of March 2022	ASD	Informational	Receive and file
4	Closed Session: Labor	CAO	Closed Session	
6	Review of Draft Housing Element	CDD	Regular	Direction to staff
7	Willow Village Community Amenities Review (early release)	CDD	Study Session	Direction to staff
8	Adopt Community Amenity Implementing Regulations and Updated Amenities List	CMO	Regular	Adopt resolution
9	Adopt Resolution to continue conducting the City’s Council and advisory body meetings remotely due to health and safety concerns for the public	CMO	Consent	Adopt resolution
10	Advisory body appointments	CMO	Advisory body reports	Decide
11	Consider matching Peninsula Clean Energy’s electric vehicle charging incentive for existing multi-unit properties in Menlo Park to support Climate Action Plan strategy goal no. 3 – increase access to electric vehicle charging	CMO	Regular	Approve
12	MPMC 2.04.220 (identifies the district map adopted by Ordinance No. 1044 and specify that district boundaries are adopted by IRC through resolution)	CMO	Regular	Adopt resolution
13	Planning Commission interviews	CMO	Regular	No action
14	Special events ordinance-first read	CMO	Public Hearing	Decide
15	Special events ordinance-second read/adopt	CMO	Consent	Adopt ordinance
16	Study Session Reach Codes 2.0	CMO	Study Session	Direction to staff
17	Parkline Study Session	CSD	Study Session	No action
18	Community access to Belle Haven School field	LCS	Informational	Receive and file
19	Community gatherings and observances timeline and update	LCS	Informational	No action
20	MPCC operational plan milestones	LCS	Study Session	Direction to staff
21	Introduce ordinance in compliance with AB 481 (use of law enforcement equipment)	PD	Regular	Decide
22	Adopt Resolution No. X approving the 2021 amended water supply agreement with the City and County of San Francisco; and Adopt Resolution No. X approving a minimum purchase transfer from the City of Mountain View to the City of East Palo Alto	PW	Consent	Adopt resolution
23	Approve concept design for Willow Oaks and Burgess Park improvements	PW	Regular	Approve
24	Automated water meter reading project agreement	PW	Consent	Approve
25	Ravenswood resurfacing and bike lane pilot update	PW	Consent	Direction to staff
26	Sharon Rd sidewalks bid award	PW	Consent	Approve



STAFF REPORT

City Council Meeting Date: 4/12/2022
Staff Report Number: 22-070-CC

Informational Item: Menlo Park Community Campus draft operation plan milestones

Recommendation

Staff recommends that the City Council review this informational report about Menlo Park Community Campus (MPCC) draft operation plan milestones (Attachment A.) No City Council action is required at this time.

Policy Issues

City Council sets policy and goals and provides direction to staff regarding municipal projects and services to the Menlo Park community. City Council has established the MPCC project as one of the City's top priorities.

Background

On December 16, 2019, Facebook (now Meta) submitted its proposal for exploring the funding and development of a new multigenerational facility to incorporate the former Onetta Harris Community Center, Menlo Park Senior Center, Belle Haven Youth Center (childcare), Belle Haven Pool and branch library.

On January 12, 2021, the City Council approved the architectural control, use permit, funding and improvements agreement for the MPCC project located at 100-110 Terminal Avenue. The City Council requested further review of several design elements of the proposed pool area. Those items were discussed January 26, 2021, and February 1, 2021. The City Council approved the pool design elements February 1, 2021.

City Council created the MPCC subcommittee, comprised of Mayor Nash and City Councilmember Taylor, to work with City staff and the community on the MPCC project.

Analysis

Construction of the MPCC project began in June 2021, ushering in an exciting new phase of the project. The concrete foundation was poured in March and final pieces of the steel framing is are being installed.

With the new center construction projected to be completed in mid-2023, attention now turns to planning and preparing for opening day. To this end, staff worked with the MPCC subcommittee to develop an initial working draft of the key steps and milestones necessary for a successful opening and start of operations in the new center. (Attachment A)

The working draft is merely a starting point and is subject to change, discussion and further refinement. This

early look at the overall arc of the operations plan process is intended to provide an informative and helpful tool.

Guiding principles

Staff worked with the MPCC subcommittee to identify existing City Council policy statements that are relevant to the operations and programming of the new center. As the planning and preparation for the new center opening day proceeds, these City Council policy statements are examples that can help provide guidance for the prioritization and delivery of services in the new center.

The construction and grand opening of a new community campus in Belle Haven is a long-held dream for the community many years in the making. Multiple community discussions and neighborhood voices have helped to establish a clear vision for the new center and bring it to reality. It is a vision of a multi-generational community center that is responsive to and serves the needs of Belle Haven neighborhood residents; a public service and community space that serves and is inclusive of all Menlo Park residents especially neighborhood residents; a new milestone and landmark that moves Menlo Park toward justice and fairness for all residents.

In recognition of this important groundwork and history, the City Council has adopted relevant policy statements that provide guiding principles and priorities for the new facility. These policies prioritize access, inclusion, belonging, justice, and fairness for all Menlo Park residents, from all neighborhoods of the City, for City services and decision-making that affects residents' lives.

The City Council in April 2021 adopted the following statement as part of the City of Menlo Park Cost Recovery Policy:

“The City of Menlo Park provides services and infrastructure that contribute to quality-of-life for all Menlo Park residents. In so doing, the City strives to balance the resources and requirements of each area of the city in an equitable manner for all residents, in all neighborhoods of the City. The City of Menlo Park prioritizes social justice in decisions that affect residents' lives: the fair, just and equitable management of all institutions serving the public directly or by contract; the fair, just and equitable distribution of public services and implementation of public policy; and the commitment to promote fairness, justice, and equity in the formation of public policy.”

The City Council in October 2019 approved the Parks and Recreation Facilities Master Plan, which includes the following statements in its Guiding Goals:

“Menlo Park has a high-quality system of parks and recreation facilities. The City's parks, facilities, and events bring the community together as 'One Menlo Park.' As the City grows and evolves it must ensure that these parks and facilities meet the needs of all members of the Menlo Park community. The system should provide equitably distributed active and passive recreation opportunities which engage users, and which are accessible to residents of all ages and abilities, throughout the City.”

“Each new park or facility, or significant renovation of an existing park or facility should contribute to satisfying the recreational needs of the neighborhood that it serves, and be integrated into a system that serves the entire community. Each improvement should complement the mix of uses in the neighborhood and in the City as a whole.”

“Neighborhood Serving: Strive to distribute parks, facilities, amenities, and programs to serve residents of all Menlo Park neighborhoods. In considering renovation or new construction of parks and facilities, prioritize approaches that balance community benefits with potential neighborhood impacts.”

“Universal Design: Continue to address physical and programmatic barriers to participation for individuals with disabilities. Where feasible, incorporate Universal Design in the development and renovation of parks and facilities, to reduce barriers that limit use by persons of all ages, and physical, perceptual and cognitive abilities. Develop environments and programs for a range of groups with varying abilities and mental cognitive abilities, which are fully inclusive.”

Next steps

The MPCC subcommittee has convened a working group of Menlo Park residents to review and discuss the draft milestones and provide input.

The Library Commission March 21 and the Parks and Recreation Commission March 23 received informational reports in their agenda packets containing the draft milestones. Follow-up Commission discussions of the draft milestones are tentatively scheduled for their April and May meetings.

The City Council is receiving this informational report on the draft milestones April 12. A follow-up City Council discussion of the draft milestones is tentatively targeted for May.

Impact on City Resources

There is no new impact on City resources because of this informational item. Staff estimates the value of Meta’s contribution toward the MPCC project completion at approximately \$40 million. The City’s share of the project includes commitments at both a base level and project enhancements totaling approximately \$15.75 million from various funding sources authorized by the City Council project approvals January 12, 2021, and February 1, 2021.

Environmental Review

On January 12, 2021, the City Council found the MPCC project categorically exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15302 Replacement of Existing Facilities. The project has substantially the same purpose and capacity as the existing facilities, and this exemption allows for reasonable increases in square footage to accommodate replacement facilities. On January 21, 2021, staff filed a notice of exemption with the San Mateo County clerk.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. MPCC draft operation plan milestones

Report prepared by:

Sean Reinhart, Library and Community Services Director

** DRAFT **
 FOR DISCUSSION PURPOSES ONLY
 OPERATIONS PLAN – ESTIMATED MILESTONES

Work-in-progress

* All dates are tentative and subject to change
 (CC) = City Council direction / action

WINTER 2022

- Aquatics – City Council direction (CC)
- Belle Haven Branch Library – MOU renewal (CC)

SPRING 2022

- Aquatics - community survey
- New registration management platform approval – ITMP (CC)
- Proposed FY 2022-23 operating budget (CC)
- Belle Haven School field – community access pilot project (CC)
- Furnishing and equipment – selection begins
- Operations plan
 - Staffing plan development
- Programming plan
 - Fitness center, gymnasium, movement studio
 - Library spaces
 - Teen space, makerspace
- City Council policy updates
 - Athletic field use policy (CC)
 - Commemorative park amenity guidelines (CC)

SUMMER 2022

- Aquatics –study session analysis, RFP development (CC)
- Adopted FY 2022-23 operating budget (CC)
- Master fee schedule (CC)
- Facility naming process initiated (CC)
- New registration management platform implementation
- Topping out ceremony
- Major donors / community fundraising campaign begins
- Furnishing and equipment – selection completed
- Operations plan
 - Library materials – opening day collection
 - Athletic, fitness equipment
 - Volunteers, external partners
- Programming plan
 - Senior programs
 - Dining hall / facility rentals
 - Public meetings
- Departmental policy updates
 - Facility rental / meeting room policy
 - Library collection development policy
- City Council policy updates
 - Cooling Center activation policy (CC)
 - Cost recovery policy (CC)
 - Naming and/or changing the name of facilities (CC)

AUTUMN 2022

- Aquatics – RFP issued (CC)
- Aquatics – operator selected (CC)

- Facility naming – City Council approval (CC)
- Furnishing and equipment – procurement begins
- Operations plan
 - Volunteers, external partners
 - Staffing
 - Athletic field
- Programming plan
 - Art installation / community gallery
 - Afterschool center
 - Adult literacy / ESL
- Departmental policy updates
 - Exhibits and displays policy
 - Volunteer policy
 - Facility use guidelines- visitor behavior policy

WINTER 2023

- FY 2022-23 budget Mid-year review and adjustments (CC)
- Staffing adjustments (CC)
- Kelly Park field and track renovation plan and timeline (CC)
- Aquatics operator start-up / transition begins
 - Program and hours of operation
 - Staffing
 - Licenses and agreements
 - Operating budget
- Operations plan
 - Security
 - Emergency procedures
 - Disaster response / shelter
 - Energy conservation and use

SPRING 2023

- Proposed FY 2023-24 operating budget (CC)
- Prep for Grand Opening (CC)
- TCO / Certificate of Occupancy issued
- Prep for move-out / decommissioning
 - Youth Center portables
 - Belle Haven Branch Library
 - Senior Center interim location at ARC
- Furniture and equipment installation begins
- Library opening day collection delivered
- Operations startup
 - Staff training
 - Licenses and agreements
 - Program and hours of operation
- Programming startup
 - Registration opens

SUMMER 2023

- Adopted FY 2023-24 operating budget (CC)
- Grand opening (CC)
- Start of operations
- Vacate Belle Haven Branch Library
- Deinstall Youth Center portables



STAFF REPORT

City Council
Meeting Date: 4/12/2022
Staff Report Number: 22-071-CC

Informational Item: **Gymnastics program reactivation capacity and timeline update**

Recommendation

Staff recommends that City Council review this informational report in advance of the fiscal year 2022-23 operating budget development process. Staff is preparing a service level enhancement request to reactivate the gymnastics program and is planning to present the request to City Council for consideration in the context of the upcoming fiscal year 2022-23 operating budget deliberations. No action is requested from City Council in relation to this informational report at this time.

Policy Issues

City Council sets policy and goals and provides direction to staff regarding municipal services to the Menlo Park community; and allocates resources to support and maintain city facilities and operations and provide services to residents.

Background

City-owned facilities were closed to indoor public access March 12, 2020, due to the COVID-19 pandemic. This precaution was necessary to protect public health by minimizing opportunities for congregation, both by the public and employees. Due to the infeasibility of safely delivering gymnastics services during the COVID-19 pandemic, City Council suspended the gymnastics program operations and eliminated all gymnastics staff positions in the fiscal year 2020-21 operating budget.

City Council September 21, 2021, reviewed a proposal to reactivate the gymnastics program (Attachment A.) City Council considered the cost of reactivation, the organization's capacity for reopening, the spread of COVID-19 variants on the community, the potential risks and liability presented by COVID-19 exposure or transmission, and the status of COVID-19 vaccination efforts. After thorough deliberation, the City Council deferred action on a potential gymnastics program reactivation until a later date to be determined, noting in particular a spread of COVID-19 variants and the lack of an authorized COVID-19 vaccine for young children at that time.

Analysis

Capacity and timeline update

The proposal in Attachment A was reviewed by City Council September 21, 2021, and recommended a minimum lead time of two months to prepare the gymnastics facility and staff before reopening, then carefully reactivating gymnastic program operations in phases over the subsequent four months. This timeline was ambitious but feasible because the long-time gymnastics program coordinator had remained

an employee of the City in an alternate capacity and was available to rapidly organize and lead the reactivation effort had City Council so authorized at that time.

In December 2021 that key employee retired from the City organization which resulted in a critical loss of institutional knowledge, capacity and readiness to rapidly reactive the gymnastics program. As a result of this staffing change, compounded by capacity limitations across the organization and other major initiatives such as the aquatics program request for proposals and Menlo Park Community Campus project operations planning, staff estimates that up to three additional months of lead time would be needed to recruit, onboard and prepare a new gymnastics program coordinator, extending the overall reactivation timeline by three additional months for a total of five months from the point in time that the City Council were to provide direction to reactivate.

Impact on City Resources

There is no City Council action requested in relation to this informational item at this time, and no new impact on City resources as a result of this informational item at this time. The September 21, 2021 proposal in Attachment A recommended that City Council authorize 5.75 full-time equivalents (FTE) regular benefited positions and related operating expenditures to reactivate the gymnastics program for a proposed total \$767,000 in annual expenditures offset by a proposed total \$450,000 in estimated annual revenues in fiscal year 2021-22. Staff is updating this service level enhancement request for fiscal year 2022-23 to reflect the timeline changes noted elsewhere in this report and is planning to present the updated request for City Council consideration in the context of the upcoming fiscal year 2022-23 operating budget deliberations.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

- A. Hyperlink – Staff report #21-182-CC Authorize the city manager to reactivate the gymnastics program September 21, 2021: beta.menlopark.org/files/sharedassets/public/agendas-and-minutes/city-council/2021-meetings/agendas/20210921-city-council-agenda-packet.pdf

Report prepared by:
Sean S. Reinhart, Library and Community Services Director