

Attachment No. 44

**EPA Staff Report 7.2 re
Special Presentation from
the East Palo Alto Sanitary
District on Financing Options
to Fund Infrastructure
Improvements**



EAST PALO ALTO CITY COUNCIL REGULAR MEETING AGENDA

September 20, 2022, 6:30 p.m.
EPA Government Center
2415 University Ave, First Floor
East Palo Alto, CA 94303

NOTICE

This City Council meeting will be conducted in accordance with City of East Palo Alto Resolution adopted in accordance with Assembly Bill 361. All members of the City Council will participate in the meeting by video conference, with no physical meeting location available to the public.

Community members may provide comments by emailing cityclerk@cityofepa.org or using the “**RAISE HAND**” feature when the Mayor or City Clerk call for public comment. Emailed comments should include the specific agenda item on which you are commenting.

Please click this URL to join

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Webinar ID: 896 6371 0145

International numbers available: <https://zoom.us/u/aMWYF4KT>

1. **CALL TO ORDER AND ROLL CALL**

2. **APPROVAL OF THE AGENDA**

(Government Code Section 54957.7(a))

3. **APPROVAL OF CONSENT CALENDAR**

1. **Award of contract to Frank and Grossman Landscape Contractor, Inc. for Janitorial Services**

Recommendation: Adopt a Resolution awarding a contract to Frank and Grossman Landscape Contractors, Inc. for five (5) years with two possible one-year extensions at the discretion of the City Manager for an amount not-to-exceed one hundred fifty thousand dollars (\$150,000) annually for city facilities janitorial services.

2. **Renovation and Recapitalization of Nugent Square Apartments at 2361 University Ave**

Recommendation: Adopt a resolution authorizing the City Manager to:

1. Negotiate and execute amendments to the City's existing Loan and Regulatory Agreements to effectuate the transfer of the Nugent Square Apartments to a new limited partnership and the refinancing of the Nugent Square Apartments, in forms approved by the City Attorney.
2. Negotiate and execute subordination agreements subordinating the City's loan and regulatory agreement to the new financing, in a form approved by the City Attorney; and
3. Authorize the City Manager to execute any other documents necessary to complete the new financing provided such documents are approved by the City Attorney.

3. **On-Call Arborist Consulting Services for Tree Evaluations on Private Property**

Recommendation: Adopt a Resolution authorizing the City Manager to execute a consultant contract for on-call Arborist Consulting services for tree evaluations on private property with Davey Resource Group, Inc. (DRG) in an amount not-to-exceed \$40,000 for a period up to two-years with an option for a one-time extension of two-years and an additional \$40,000.

4. **West Coast Arborists Contract Amendment for \$50,000 - Public Trees**

Recommendation: Adopt a Resolution approving a contract amendment with West Coast Arborists, Inc. for an additional amount of \$50,000 for tree maintenance services, for a total contract amount of \$150,000.

5. **4th Quarter Treasury Report FY2021-22**

Recommendation: Accept and file the Treasury Report for the fourth quarter ended June 30, 2022.

6. **Submit an Application for TA Cycle 6 Bike/Ped Program Funding**

Recommendation: Adopt a resolution supporting the East Bayshore Road Pedestrian and Bicycle Safety Improvements Project project and submitting an application to the San Mateo County Transportation Authority for Cycle 6 Pedestrian and Bicycle Program Funding

7. **Update on the Chief of Police Recruitment**

Recommendation: It is recommended that the City Council:

1. Accept staff's report on the status of the Chief of Police recruitment; and
2. Direct the Interim City Manager to publish a future informational report complete

with each Councilmember's appointee to serve on the five-member community panel for the recruitment of the Police Chief.

8. **Convenience Fee for Online Payments of Business License Tax and Penalties**
Recommendation: Adopt a resolution authorizing the City Manager to set a convenience fee minimum for the use of credit cards and e-check transactions for online payments of Business License Tax and Penalties.

4. **CLOSED SESSION - NONE**

5. **PUBLIC COMMENT**

*Members of the public wishing to address the City Council on items not listed on the agenda may do so under this item. **Each speaker is limited to two minutes.** The Mayor has the discretion to adjust speaking times. In accordance with State Law, no action or discussion may take place on any item not appearing on the posted agenda. The Council may respond to statements made or questions asked or may request Staff to report back at a future meeting concerning the matter. The exceptions under which the City Council may discuss and/or take action on items not appearing on the agenda are contained in Government Code Section 54954.2(b)(1)(2)(3).*

6. **INFORMATIONAL REPORTS**

1. **Update on Hybrid City Council meetings**

7. **SPECIAL PRESENTATIONS**

1. **Intelligent Transit Signal Priority Project Update**

Recommendation: Receive Presentation.

2. **Special Presentation from the East Palo Alto Sanitary District on Financing Options to Fund Infrastructure Improvements**

Recommendation: It is recommended that the City Council allow representatives from the East Palo Alto Sanitary District (EPASD) to give a presentation regarding financing options for infrastructure improvements.

8. **PUBLIC HEARINGS**

1. **Woodland Park Euclid Improvements**

Recommendation:

1. **Adopt a resolution:**

- **Certifying** that the Final Environmental Impact Report (FEIR) has been done in compliance with the California Environmental Quality Act (CEQA);
- **Adopting** a Mitigation, Monitoring and Reporting Plan pursuant to Public Resources Code 21000 and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000);
- **Adopting** a Statement of Overriding Considerations;
- **Directing** the Community and Economic Development Director to File a Notice of Determination within five working days of adoption pursuant to Section 15075 of the CEQA Guidelines

2. **Adopt** a Resolution approving the General Plan Amendment (GP19-001) establishing the Neighborhood Center Overlay Land Use Designation;

3. **Introduce Ordinances** enacting the Development Code and Zoning Map amendments (ZC19-002) establishing the Neighborhood Center Overlay District;

4. **Adopt a resolution:**

- **Approving** the Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), and Tentative Parcel Map (TTM19-001) based on the findings, requirements and conditions of approval which are Attachments to the resolutions and incorporated by reference;
- **Approving** the Relocation Plan dated September 2022; and

- **Authorizing** the City Manager to execute a Notice of Special Restrictions applying the City's Rent Stabilization Ordinance to 160 new/replacement units in a form approved by the City Attorney.

5. **Introduce an Ordinance** approving the Proposed Development Agreement for the Woodland Park Euclid Improvements Project

9. **POLICY AND ACTION**

1. **Use of American Rescue Plan Act (ARPA) Funds**

Recommendation: It is recommended that the City Council take the following actions:

1. Accept the staff report on the City's use of American Rescue Plan Act (ARPA) funding;
2. Provide direction for how the City should allocate the remaining portion of ARPA funding; and
3. Direct staff to return to the City Council in October 2022 with specific allocation recommendations for the remaining portion of the City's ARPA funding.

10. **COUNCIL REPORTS**

11. **ADJOURNMENT**

This Notice of Availability of Public Records: All public records relating to an open session item which are not exempt from disclosure pursuant to the Public Records Act, that are distributed to the majority of the City Council will be available for public inspection at the City Clerk's Office, 2415 University Avenue, East Palo Alto, CA at the same time that the public records are distributed or made available to the City Council. Such documents may also be available on the East Palo Alto website www.cityofepa.org subject to staff's ability to post the documents prior to the meeting. Information may be obtained by calling (650) 853-3100.

The City Council meeting packet may be reviewed by the public in the Library or the City Clerk's Office. Any writings or documents pertaining to an open session item provided to a majority of the City Council less than 72 hours prior to the meeting, shall be made available for public inspection at the front counter at the City Clerk's Office, 2ND Floor, City Hall, 2415 University Avenue, East Palo Alto, California 94303 during normal business hours. Information distributed to the Council at the Council meeting becomes part of the public record. A copy of written material, pictures, etc. should be provided for this purpose.

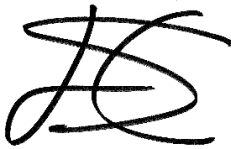
East Palo Alto City Council Chambers is ADA compliant. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office at (650) 853-3127 no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.

POSTED: September 16, 2022

ATTEST:



James Colin
City Clerk

Future Meetings:

Meeting	Date	Time
Study Session	September 27, 2022	Cancelled
Regular Meeting	October 4, 2022	6:30 p.m.
Regular Meeting	October 18, 2022	6:30 p.m.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Jay Farr, Maintenance Division Manager
Humza Javed, City Engineer

SUBJECT: Award of contract to Frank and Grossman Landscape Contractor, Inc. for Janitorial Services

Recommendation

Adopt a Resolution awarding a contract to Frank and Grossman Landscape Contractors, Inc. for five (5) years with two possible one-year extensions at the discretion of the City Manager for an amount not-to-exceed one hundred fifty thousand dollars (\$150,000) annually for city facilities janitorial services.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency
Priority No. 4: Improve Public Facilities and Infrastructure

Background

The City currently has a city-wide facility janitorial services agreement with Enviro Clean Maintenance, LLC for routine city facility cleaning. The term of the Janitorial Services Agreement with Enviro Clean Maintenance expires on November 30, 2022.

On March 25, 2022, staff released a Request for Proposal (RFP) for city-wide janitorial services which includes the following city facilities:

1. Community Development Facility, 1960 Tate Street
2. Reentry Program Facility, 2277 University Avenue
3. Maintenance Corporation Yard Facility, 150 Tara Road
4. Police Department Facility, 141 Demeter Street

5. Police Department Sub-Station Facility, 219 Demeter Street
6. Space at YMCA Facility, 550 Bell Street
7. Cooley Landing Facility & Park Restrooms, 2100 Bay Road
8. Martin Luther King Jr. Park Restrooms, 435 Daisy Lane
9. Jack Farrell Park Restrooms, 2508 Fordham Street
10. Additional Services: Facility rental/events & emergency cleaning at City Facilities

Staff posted the RFP on City's website and mailed it through the US Postal Service to several janitorial companies in the Bay Area.

Analysis

By the deadline of May 27, 2022, the City received a total of ten (10) proposals from the following companies:

1. California best Janitorial
2. Enviro Clean Maintenance, LLC
3. Wright Solutions, LLC
4. Frank + Grossman Landscape Contractor, Inc.
5. Green Source Janitorial
6. Impec Group
7. Premier Property Preservation
8. Universal Building Services
9. Commercial Maintenance Janitorial Service
10. Aim to please Janitorial Services, Inc

The evaluation committee comprised of three staff members from the Public Works Department. The evaluation committee reviewed and ranked the proposals based on qualification, experience, and cost. The highest-ranking proposer, Frank and Grossman Landscape contractors, Inc. was the highest ranked firm, and is being recommended for selection.

Frank and Grossman Landscape Contractors, Inc. is a full-service, quality janitorial and landscape corporation serving the greater Bay Area. Frank and Grossman Landscape Contractors corporate office is located at 3428 Arden Road in Hayward California with six other local branches at the following locations:

1. San Jose - 1253 Alma Court, San Jose, Ca 95112
2. Hayward - 3111 Depot Road, Hayward, Ca 94545
3. Peninsula - 2949 Edison Way, Redwood City, CA 94063

4. North Bay - 7765 Healdsburg Avenue, Suite 4, Sebastopol, CA 95472
5. Monterey/Carmel - 2200 Del Monte, Monterey, CA 93940
6. Concord - 418 Buchanan Circle, #7 Pacheco, Ca 94553

The janitorial services contract will have a 5-year term with two (2) optional one-year extensions at the discretion of the City Manager. The annual contract amount is \$150,000. The total compensation for five years would be \$750,000.

Fiscal Impact

The estimated annual cost for facility janitorial services is one hundred and fifty thousand Dollars (\$150,000) which includes regular facility janitorial services, including daily park restroom cleaning, as well as cleaning services for facility rentals. This amount is budgeted in the Public Works Maintenance Division FY 22/23 operational budget from city's general fund.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Attachments

- A. Proposal
- B. RESOLUTION
- C. RESOLUTION Janitorial Services Contractor

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH FRANK AND GROSSMAN LANDSCAPE CONTRACTORS, INC. FOR FIVE (5) YEARS WITH TWO ONE-YEAR EXTENSIONS AT THE DISCRETION OF THE CITY MANAGER FOR CITY FACILITIES JANITORIAL SERVICES IN AN AMOUNT NOT TO EXCEED \$150,000 ANNUALLY.

WHEREAS, the City currently has a facility janitorial services agreement with Enviro Clean Maintenance for routine city facility cleaning which expires on November 30, 2022; and

WHEREAS, on March 25, 2022, staff released a Request for Proposal (RFP) to seek professional janitorial services for facilities city-wide; and

WHEREAS, the city received total of ten (10) proposals; and

WHEREAS an evaluation committee comprised of city staff rated Frank and Grossman Landscape Contractors, Inc. as the highest rated proposer; and

WHEREAS, Frank and Grossman Landscape Contractors, Inc. meets all the minimum qualifications.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY authorizes the City Manager to execute a contract with Frank and Grossman Landscape Contractors, Inc. for five (5) years with additional two one-year extensions at the discretion of the City Manager for city facilities janitorial services in an amount not to exceed \$150,000 annually.

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

Attachment: Proposal (2372 : Award of contract to Frank and Grossman Landscape Contractor, Inc.)

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Proposal (2372 : Award of contract to Frank and Grossman Landscape Contractor, Inc.)

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO

AWARDING A CONTRACT TO FRANK AND GROSSMAN LANDSCAPE CONTRACTORS, INC. FOR FIVE (5) YEARS WITH TWO ONE-YEAR EXTENSIONS AT THE DISCRETION OF THE CITY MANAGER FOR CITY FACILITIES JANITORIAL SERVICES IN AN AMOUNT NOT TO EXCEED \$150,000 ANNUALLY.

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WHEREAS, by the deadline of May 27, 2022, the city received total of ten (10) proposals; and

WHEREAS an evaluation committee comprised of city staff rated Frank and Grossman Landscape Contractors, Inc. as the highest rated proposer; and

WHEREAS, Frank and Grossman Landscape Contractors, Inc. meets all the qualifications and is located in Hayward, California; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY awards a contract to Frank and Grossman Landscape Contractors, Inc. for five (5) years with additional two one-year extensions at the discretion of the City Manager for city facilities janitorial services in an amount not to exceed \$150,000 annually.

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: RESOLUTION (2372 : Award of contract to Frank and Grossman Landscape Contractor, Inc.)

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AWARDING A CONTRACT TO FRANK AND GROSSMAN LANDSCAPE CONTRACTORS, INC. FOR FIVE (5) YEARS WITH TWO ONE-YEAR EXTENSIONS AT THE DISCRETION OF THE CITY MANAGER FOR CITY FACILITIES JANITORIAL SERVICES IN AN AMOUNT NOT TO EXCEED \$150,000 ANNUALLY.

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WHEREAS, Frank and Grossman Landscape Contractors, Inc. meets all the qualifications and is located in Hayward, California; and

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PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

Attachment: RESOLUTION Janitorial Services Contractor (2372 : Award of contract to Frank and Grossman Landscape Contractor, Inc.)

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: RESOLUTION Janitorial Services Contractor (2372 : Award of contract to Frank and Grossman Landscape Contractor, Inc.)



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Hansom Hom, Deputy Manager, Special Projects
Patrick Heisinger, Interim City Manager
Karen Camacho, Housing Project Manager

SUBJECT: Renovation and Recapitalization of Nugent Square Apartments at 2361 University Ave

Recommendation

Adopt a resolution authorizing the City Manager to:

1. Negotiate and execute amendments to the City's existing Loan and Regulatory Agreements to effectuate the transfer of the Nugent Square Apartments to a new limited partnership and the refinancing of the Nugent Square Apartments, in forms approved by the City Attorney.
2. Negotiate and execute subordination agreements subordinating the City's loan and regulatory agreement to the new financing, in a form approved by the City Attorney; and
3. Authorize the City Manager to execute any other documents necessary to complete the new financing provided such documents are approved by the City Attorney.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 6: Create a Healthy and Safe Community

Background

In 2003, the Redevelopment Agency of the City of East Palo Alto (City) provided a loan of \$1,100,000 (City Loan) to the partnership, Nugent Square Partners, LP, controlled by Eden Housing, Inc. and EPA CAN DO (jointly, the Developer) for the development of Nugent Square, a 32-unit affordable housing apartment building, of which 25 apartments were constructed and set-aside for very-low (up to 50% Area Median Income (AMI)) and 6 were set-aside for extremely low-income households (up to 30% AMI), with 1 apartment as the onsite

employee's apartment (collectively, the Development). The City Regulatory Agreement that income-restricts the Development had an initial term of 55-years from completion of the Development, ending in 2059. The City Loan has a 40-year term and matures in 2044. Nugent Square also includes second-floor commercial office space which houses the headquarters of EPA CAN DO, the East Palo Alto Community Alliance and Neighborhood Development Organization.

In 2004, the Developer completed the Development and since that time has been managing it in accordance with the terms and conditions of all lenders who provided financing as well as the City's regulatory agreement.

In March 2020, the City approved a resolution to modify the existing loan documents to allow the developer to refinance the permanent loan on the Development. The refinancing presented an opportunity for the City to negotiate key deal terms with the Developer, including: extending the regulatory agreement by 5 years to 2065, thus guaranteeing that the affordable units remained affordable for a longer time period; the City received a loan repayment of \$50,000; the County of San Mateo received a loan repayment of \$50,000; and the Developer paid the City a one-time \$10,000 fee to cover the City's legal expenses to facilitate the refinance. The March 17, 2020 staff report with an overview of the refinance can be viewed in Attachment 2.

As of September 2022, the property has made \$76,797 in residual receipt payments to the City since being placed into service.

The purpose of this staff report is to: 1) provide the City Council with an understanding of the Developer's proposal and the staff responses, 2) outline the steps required to complete the proposed refinancing, and 3) obtain approval from the City Council regarding the specific deal terms of the proposed refinancing and authorization to proceed with the refinancing.

Analysis

Developer Proposal

The Developer proposes to substantially renovate the Development with proceeds from a competitive tax credit (9% Low-Income Housing Tax Credits or "LIHTC") award from the California Tax Credit Allocation Committee or "CTCAC" and \$3.5 million in soft new loans from San Mateo County bearing 3% simple interest and repaid through residual receipts during the loan's 55-year term. The City's existing loan on the property will be subordinated to these new County loans, as well as the loans for the construction and permanent mortgage lender.

The construction is anticipated to last from December 2022 to October 2023, and the work will improve the existing residents' quality of life. No permanent relocation is anticipated and the Developer desires all current residents to continue living at Nugent Square. In-unit work will require temporary relocation of residents during construction for an anticipated duration of 4 weeks. Residents will continue to pay rent during relocation. Resident's relocation costs, including moving expenses and accommodations at a nearby hotel, will be paid by the Developer in accordance with state and federal regulations. The scope of work has the following components:

- Repairing water damage to the stucco stairways
- Upgrading or replacing the elevator
- Replacing the roof
- Replacing and resurfacing the playground
- Improving the HVAC system in the management offices, services area and computer room.
- In-unit upgrades, including new mechanical/electrical/plumbing equipment when necessary, new cabinets and countertops and new flooring
- Installing energy efficiency improvements such as LED outdoor lighting
- Repainting the development and making other “curb appeal” improvements.

In order for the Development to meet tax credit financing regulations, the property will be transferred to a new limited partnership that will continue to have Eden and EPA CAN DO as the general partners. The City must consent to its existing outstanding loan balance of approximately \$1.2 million being assigned to a new Limited Partnership that will own the Development. The terms of the City loan and regulatory agreement would be modified so both the loan term and affordability covenants would extend for 55 years from the completion date - anticipated to be 2078. The city loan currently matures in 2044 and the regulatory agreement ends in 2065. Interest will be paid at the compounding Applicable Federal Rate (AFR). As of September 2022, the AFR is 3.14%. The interest rate in the existing loan agreement is 1% so the new rate would be more favorable to the City. The City also would need to agree to subordinate its loan and regulatory agreement to the loan of San Mateo County, and to the loans of the construction and permanent bank lender.

The Developer proposes to pay the costs of the City’s legal fees up to \$50,000 to modify the existing loan documents. The developer also proposes to extend EPA CAN DO’s commercial lease in the project to 20 years -from 2040 to 2060 at the same rent of \$1 per year. The value of this lease extension is estimated at over \$2,100,000 for 20 years based on market rents for comparable office space in East Palo Alto.

The new financing would be underwritten at a 1.15 debt service coverage ratio.

City Staff Proposal in Response

City staff support the Developer’s intent to recapitalize and rehabilitate the Development in order to provide structural improvements to the building envelope, enhance the common areas and provide in-unit upgrades.

The proposed recapitalization presents an opportunity to bring additional resources into a 100% affordable housing development within city limits. Opportunities to recapitalize and substantially renovate existing affordable housing developments in California have become increasingly rare in the last two years given the competitive landscape for both 4% and 9% tax credits.

The City recognizes the need for successful developers, such as Eden Housing and EPA CAN DO, to recapitalize and substantially renovate existing affordable developments to ensure that they remain preserved and affordable. The proposed refinancing offers the following benefits to the Developer and the City:

- Extends the long-term affordability covenants for a new 55-year term beginning at the issuance of the certificate of occupancy; this represents a 13-year extension of the affordability covenants from 2065 to 2078.
- Extends the loan terms 38 years, from 2044 to 2078, at a higher interest rate.
- Invests over \$7 million in construction costs into the project to ensure the units are preserved as long-term affordable housing with necessary repairs and renovations.
- Allows for EPA CAN DO, an important community serving institution, to have a commercial lease at the site extended for 20 years, until 2060, at a nominal rent, assisting EPA CAN DO in remaining financially viable.
- The Developer will pay the City cost-recovery up to \$50,000 for the City's legal expenses to facilitate the recapitalization.

To conclude and summarize, the transaction will preserve the affordability restrictions of the units at Nugent Square by extending the duration of the City's loan and the regulatory agreement. The refinancing also will ensure the affordable units continue to provide quality housing for the residents by improving the existing units. The lien position of the City's loan will remain in the current position (subordinate to other existing debt including the County's loan although the County loan amount will increase).

The table below reflects this proposed breakdown of the Developer's new financing. All numbers are preliminary and subject to change due to potential changes in financing terms.

Table 1

SOURCES	
Pem Loan Tranche A	1,646,000
County CDBG/HOME (old)	3,610,724
City of EPA Loan (old)	1,221,466
San Mateo County AHF 9.0	2,000,000
County CDBG/HOME (new)	1,500,000
LIHTC 9%	9,544,545
GP Capital - Reserves	463,952
Income From Operations	129,800
Deferred Interest	310,580
TOTAL SOURCES	20,427,067
USES	
Total Acquisition	7,529,059
Hard Costs	7,326,200
Construction Contingency	366,310
Architecture & Engineering	885,000
Other Soft Costs	822,483
Temporary Relocation	671,088
Title/Legal	212,000
Construction Period Interest	504,500
Soft Cost Contingency	58,815
Accrued Soft Debt Interest	310,580
Developer Fee	1,515,543
Reserves	155,489
Syndication	70,000
TOTAL USES	20,427,067

Next Steps

The Developer intends to close on the recapitalization in November 2022, begin construction in December 2022 and complete construction in October 2023.

Fiscal Impact

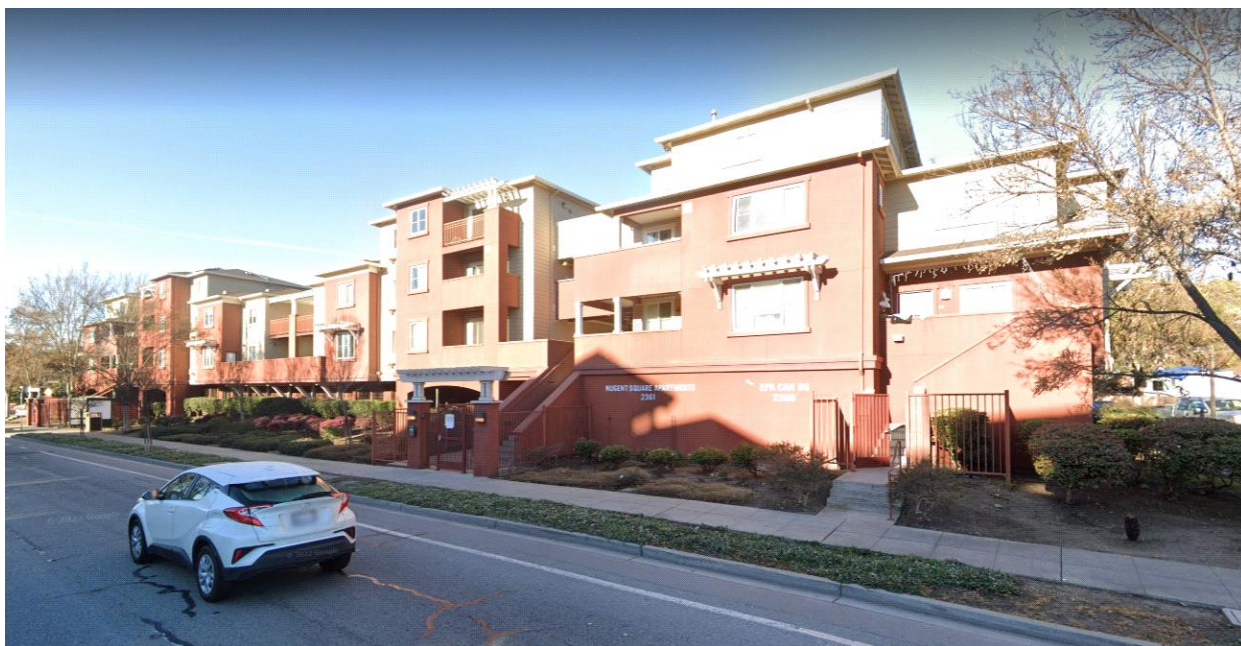
The increased interest rate from 1% to 3.14% will result in a larger interest payment and revenue for the City at loan maturity. There is no other net fiscal impact for the City.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Photos:

View from University Avenue



View From Weeks Street

Attachments

- A. Resolution
- B. March 17, 2020 Staff Report

RESOLUTION NO. ____**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE
AMENDMENTS TO EXISTING CITY LOAN AND REGULATORY AGREEMENTS
RELATING TO THE REFINANCING OF THE NUGENT SQUARE APARTMENTS**

WHEREAS, in 2003, the Former Redevelopment Agency of the City of East Palo Alto (the "Former Agency") provided a loan of \$1,100,000 Nugent Square Partners, L.P., a California limited partnership (the "Partnership") for the development of the Nugent Square Apartments, a 32-unit apartment complex affordable to very low and extremely low-income households ("Project"); and

WHEREAS, Eden Housing Inc., a California nonprofit public benefit corporation ("Eden") and East Palo Alto Community Alliance and Neighborhood Development Corporation, a California nonprofit public benefit corporation ("EPA CAN DO" and collectively with Eden, the "Developer") are the general partners of the Partnership; and

WHEREAS, the City of East Palo Alto ("City") elected to be the housing successor to the Former Agency and succeeded to all of the rights and obligations of the Former Agency; and

WHEREAS, in 2020 the City approved a refinancing of the permanent loan financing the Project that included extending the affordability restrictions benefiting the City by five years; and

WHEREAS, the Developer is now proposing to recapitalize the Project using Low Income Housing Tax Credits and additional funds from the County of San Mateo that will provide funding for rehabilitation and upgrades to the Project that will require that the Project be transferred from the Partnership to a new limited partnership of which Eden and EPA CAN DO will be the general partners; and

WHEREAS, the City and Developer have negotiated mutually beneficial terms for the Project's refinancing including:

1. The City's regulatory agreement will be extended to provide a 55-year term from the date of the refinance.
2. The existing City Loan term will be extended from a 40-year term to a 55-year term from the date of the refinance.

- 3. The interest rate on the City loan will be increased from 1% to the current applicable federal rate, which is projected to be 3.14%.
- 4. The new limited partnership owning the Project will extend EPA CAN DO's current commercial lease for an additional 20 years, until 2060 at a nominal rent of \$1 per year.
- 5. The Developer will pay the City's legal costs to process this transaction in an amount not to exceed \$50,000.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO hereby authorizes the City Manager to:

- 1. Negotiate and execute amendments to the City’s existing Loan and Regulatory Agreements to effectuate the transfer of the Nugent Square Apartments to a new limited partnership and the refinancing of the Nugent Square Apartments, in forms approved by the City Attorney.
- 2. Negotiate and execute subordination agreements subordinating the City's loan and regulatory agreement to construction and permanent financing, in a form approved by the City Attorney
- 3. Execute such other documents and to take such other actions necessary to complete the refinancing of the Project, subject to the approval of the City Attorney.

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNED:

 Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

 James Colin, City Clerk

 Valerie J. Armento, Interim City Attorney

Attachment: Resolution (2402 : Renovation and Recapitalization of Nugent Square Apartments at 2361 University Ave)



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: March 17, 2020

TO: Honorable Mayor and Members of the City Council

VIA: Jaime M. Fontes, City Manager *Jaime M. Fontes*

BY: Rachel Horst, Housing Project Manager
Patrick Heisinger, Assistant City Manager

SUBJECT: City Council Consideration of Nugent Square Refinance

Recommendation

Adopt a resolution authorizing the City Manager to:

1. Negotiate and execute amendments to the City's existing loan and regulatory agreements to effectuate the refinancing of the Nugent Square Apartments, in a form approved by the City Attorney.
2. Negotiate and execute subordination agreements subordinating the City's loan and regulatory agreement to the new financing, in a form approved by the City Attorney.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 6: Create a Healthy and Safe Community

Background

In 2003, the Redevelopment Agency of the City of East Palo Alto (City) provided a loan of \$1,100,000 (City Loan) to the partnership, Nugent Square Partners, LP, controlled by Eden Housing, Inc. and EPA CAN DO (jointly, the Developer) for the development of Nugent Square, a 32-unit affordable housing complex, of which 31 units were constructed and set-aside for very-low and extremely-low income households, with 1 unit as the employee's unit (collectively, the Project). The City Loan and Regulatory Agreement that income-restricts the Property has an initial term of 55-years from completion of the Project; the City Loan matures in 2044.

In 2004, the Developer completed the Project and since that time has been managing the

Project in accordance with the terms and conditions of all lenders who provided financing. In January 2020, the Developer notified the City of their intent to refinance the Project's senior loan. Please see Attachment 2 for a letter from the Developer.

The purpose of this staff report is to: 1) provide the City Council with an understanding of the Developer's proposal and the staff responses; 2) outline the steps required to complete the proposed refinancing; and 3) obtain feedback from the City Council regarding the specific deal terms of the proposed refinancing.

Analysis

Developer Proposal

By refinancing the Project at this time, the Developer aims to accomplish the following:

- avoid approximately \$500,000 in high yield maintenance fees;
- secure a lower interest rate of 4.26% (compared to current 6.73%); and
- reduce existing debt to the Project.

Through the refinance process, the Developer seeks to secure a new loan of \$1,826,754, with an interest rate at 4.26%, which requires monthly interest-only payments, for an 18-month term with a 12-month option to extend. The Developer proposes the following allocations:

- \$1,566,000 Existing first mortgage repayment (in its entirety)
- \$148,000 Other transaction-related costs, including City legal fees
- \$50,000 Payment on City Loan
- \$50,000 Payment on subordinate loan with County of San Mateo

The Developer is not requesting cash-out proceeds from the refinance. The new financing would be underwritten at a 1.15 debt service coverage ratio.

As a lender to the Project, the City must consent to the transaction before the Developer may take steps to refinance. As noted above, through the refinance process, the Developer will seek to lower the Project's interest rate from 6.73% to 4.26%. This interest rate reduction would result in approximately \$85,000 in additional annual cash flow from avoided debt service payments. The Developer proposes to set aside this additional cash flow in the replacement reserve account to make necessary short-term capital improvements to the Project.

The Developer intends to evaluate the possibility for resyndication for rehabilitation of the Project in or around 2021/22. Given recent changes at the State level, the Developer is uncertain if the Project is competitive to receive an allocation for new 4% tax credits. Concurrently, the Developer will evaluate alternative financing solutions for the rehabilitation.

The Developer is seeking to obtain City approval in a timely manner to avoid the high yield maintenance costs that would be due at close of resyndication and create a negative financial burden on the Project if the Developer does not complete the refinance process within the allowable period of 02/01/2020 to 04/30/2020.

City staff support the Developer's intent to refinance in order to secure a lower interest rate, avoid yield maintenance, and preserve property level cash flow for capital improvements and as a source for the rehabilitation.

City Staff Proposal in Response

The potential refinancing of the Project presents an opportunity for the City to negotiate key deal terms with the Developer. City staff finds several of the deal terms originally offered by the Developer, as outline above, to be reasonable. The City recognizes the need for successful developers, such as Eden Housing and EPACANDO, to refinance properties to ensure that they remain preserved and affordable. The propose refinancing is beneficial for the City and the Project because it extends the affordable agreement, and the annual saving from debt service will be used for physical improvements to the Project, to repay a portion of the City Loan, and to support affordable housing developers like Eden Housing and EPACANDO.

The draft deal terms proposed by City staff allow for shared benefits for both City and Developer, including the following elements:

1. The regulatory agreement will be extended for 5 years, thus guaranteeing that the affordable units within the Project remain affordable for a longer time period.
2. The City should receive a loan repayment of \$50,000.
3. The County of San Mateo should receive a loan repayment of \$50,000.
4. The Developer will pay the City a one-time \$10,000 fee to cover the City's legal expenses to facilitate the re-finance.

The table below reflects this proposed breakdown of the Developer's new financing. All numbers are preliminary and subject to change due to potential changes in financing terms.

USES	New First Mortgage	% of Total
Total	\$1,826,754	100%
Repayment of Existing First Mortgage	\$1,566,354	85%
Transaction related costs	\$148,400	8%
Partial Repayment of City Loan	\$50,000	3%
Partial Repayment of County Loan	\$50,000	3%
Contingency	\$12,000	1%
Surplus/(Deficit)	\$0	

Next Steps

City staff intends to return to the City Council in April, to discuss and seek authority for the necessary actions to complete the refinance. The Developer intends to close on the loan by end of April 2020.

Fiscal Impact

If approved, the City would receive an early loan payment of \$50,000.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the

City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

1. Resolution
2. Letter to City of East Palo Alto

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO

AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AMENDMENTS TO EXISTING CITY OF EAST PALO ALTO LOAN AND REGULATORY AGREEMENTS RELATING TO THE REFINANCING OF THE NUGENT SQUARE APARTMENTS

WHEREAS, in 2003, the former Redevelopment Agency of the City of East Palo Alto ("Former Agency") provided a loan of \$1,100,000 ("City Loan") to the partnership of Nugent Square Partners, LP, controlled by Eden Housing, Inc. and EPACANDO (jointly, "Developer") for the development of the Nugent Square Apartments, a 32-unit affordable housing complex, of which 31 units were constructed and set aside for very low- and extremely low-income households, with one unit set aside as the employee's unit (collectively, "Project"); and

WHEREAS, the City of East Palo Alto ("City") elected to be the housing successor to the Former Agency and succeeded to all of the rights and obligations of the Former Agency; and

WHEREAS, in February 2020, the Developer notified the City of their intent to refinance the Project which requires City consent and/or approval; and

WHEREAS, the City and Developer have negotiated mutually beneficial terms for the Project's refinancing including:

1. The City's Regulatory Agreement will be extended an additional 5 years;
2. All other terms of the City's Regulatory Agreement and City Loan will remain unchanged;
3. The City will receive a loan repayment of \$50,000 and the County of San Mateo will receive a loan repayment of \$50,000; and
4. The Developer will pay the City a one-time \$10,000 fee to cover the City's legal expenses to facilitate the re-finance.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO hereby authorizes the City Manager to:

1. Negotiate and execute amendments to the City's existing loan and regulatory agreements to effectuate the refinancing of the Nugent Square Apartments, in a form approved by the City Attorney.
2. Negotiate and execute subordination agreements subordinating the City's loan and regulatory agreement to the new financing, in a form approved by the City Attorney.

PASSED AND ADOPTED this 17th day of March 2019, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNED:

 Regina Wallace-Jones, Mayor

ATTEST:

APPROVED AS TO FORM:

Walfred Solorzano, City Clerk

Rafael E. Alvarado Jr., City Attorney



22645 Grand Street
Hayward, CA 94541

510.582.1460 Phone
510.582.6523 Fax

February 5, 2020

City of East Palo Alto – Community and Economic Development Department
1960 Tate Street
East Palo Alto, CA 94303
Attn: Patrick Heisinger

RE: Nugent Square – refinancing of the senior loan

Dear Mr. Heisinger,

We are hereby notifying you of our intent to refinance the senior loan with Nugent Square Partners, L.P., a California limited partnership (the Partnership). The effective date of the transaction is targeted by April 30, 2020.

The Partnership was formed in 2003 to develop, operate and own a 32-unit affordable housing complex, Nugent Square (the Project). The Project was placed in service in December 2, 2004. The general partner of the Partnership is Nugent Square LLC, a limited liability company controlled by its members, Eden Housing, Inc., a California nonprofit public benefit corporation, and EPA CANDO, a California nonprofit public benefit corporation. The property is managed by Eden Housing Management, Inc. (EHMI), a nonprofit organization, affiliates of Eden Housing, Inc.

According to the Promissory Note of the senior loan, an interest adjustment will occur on May 1, 2020, which the interest rate will be adjusted for a higher rate along with high yield maintenance costs which continue thru its maturity on May 1, 2035. The senior loan allows a repayment period three (3) months prior to the interest adjustment without penalty. Therefore, the Partnership is proactively seeking the opportunity to refinance the senior loan to accomplish several goals; which are 1) avoid approximately \$500,000 in high yield maintenance costs, 2) secure a lower interest rate of 4.26% rather than the current loan of 6.73%, 3) make repayments of \$50,000 to City loan and \$50,000 to other subordinate loan to reduce existing debt to the Project, 4) resyndicate for a possible rehabilitation for the Project in or around 2021/2022, and 5) extend the City affordability restriction by 5 years. In addition, the Partnership will be responsible for the other transaction related costs which includes the City's legal fees.

Please let us know should you need further information.

Sincerely,

Darnell Williams
Director of Asset Management
Eden Housing, Inc.,
Member of Nugent Square LLC,
The General Partner of Nugent Square Partners, L.P.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Jessica Caballero, Management Analyst II
Elena Lee, Planning Manager

SUBJECT: On-Call Arborist Consulting Services for Tree Evaluations on Private Property

Recommendation

Adopt a Resolution authorizing the City Manager to execute a consultant contract for on-call Arborist Consulting services for tree evaluations on private property with Davey Resource Group, Inc. (DRG) in an amount not-to-exceed \$40,000 for a period up to two-years with an option for a one-time extension of two-years and an additional \$40,000.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 2: Enhance Economic Vitality
 Priority No. 3: Increase Organizational Effectiveness and Efficiency
 Priority No. 6: Create a Healthy and Safe Community

Background

On April 19, 2022, the East Palo Alto City Council adopted an Urban Forest Master Plan (UFMP) to provide a roadmap towards a shared vision for the future of the city's tree canopy and amendments to the Municipal Code related to tree regulations. As directed by City Council, City staff and consultants reviewed all current city ordinances related to trees and concluded one clear ordinance for public trees and one for private trees was preferable. As a part of that City Council direction and adoption of updated ordinances, an on-call tree arborist to assist City staff (including Public Works and the Community and Economic Development (CED) Departments) to carry out the UFMP is being hired.

On July 13, 2022, City staff issued a request for proposal for on-call professional arborist consulting services to advise and assist the Planning Division regarding planning applications.

The consultant will make recommendations to staff regarding tree removal applications and landscaping proposals, General Plan policies, and best management practices. Additionally, the consultant will make recommendations on development applications, conduct site visits and inspections, attend public hearings when necessary, and provide other general on-call arborist consulting to City staff pertaining to the UFMP and the tree ordinances.

Authorization is sought for the City Manager to execute a consultant contract with the selected consultant to provide on-call arborist consulting services to the Community and Economic Development Department for a period up to two-years from contract execution with an option for a one-time extension of two-years and an additional \$40,000 that can be renewed administratively.

Analysis

The City sought a qualified arborist consultant to assist with several tasks to carry out the UFMP and the implementation of the revised tree regulations. These tasks include but are not limited to:

- Review plans and arborist reports/landscape unit values submitted for development proposals. Provide landscaping recommendations based on city ordinances, General Plan policies and best management practices. Assist City staff in evaluating proposed tree removals and provide recommendations if the proposed removal and replacement trees meet the requirements of the city ordinances.
- Assist City staff and applicant with recommendations for replacement trees as mitigation for the removal of trees.
- Assist City staff with clear and concise requirements to address removal of trees that have been deemed hazardous or in poor health. Provide staff with recommendation on whether the tree should be removed based on city requirements and best management practices.

As of July 29, 2022, a total of one bid was received, summarized in the table below.

No.	Company Name	Hourly Rate
1	Davey Resource Group, Inc. (DRG)	<ul style="list-style-type: none"> • Certified Arborist with Tree Risk Assessment Qualification \$115/Hour (minimum charge time is two hours).

DRG has successfully provided similar on-call arborist consulting services throughout the country, including numerous municipalities in California, such as the Cities of Menlo Park, Palo Alto, and Saratoga and the County of Contra Costa.

DRG can be available within 48-hour notice and has the ability to scale up to additional staff as needed. DRG is a wholly owned subsidiary of The Davey Tree Expert Company, which was established in 1880, and is licensed to practice in California. The City of East Palo Alto is committed to tree canopy preservation and growing a vibrant urban forest. DRG is aligned with the City's goals. DRG has the qualifications and expertise the City needs to provide on-

call arborist consulting services.

Contingent upon completing all requirements of the contract specifications, staff recommends the City Council authorize the City Manager to execute a contract with Davey Resource Group, Inc. to provide on-call arborist consulting services for an initial cost of up to \$40,000 for a period up to two-years from contract execution with an option for a one-time extension of two years and an additional \$40,000 that can be renewed administratively if performance is met.

Fiscal Impact

The initial not-to-exceed cost of \$40,000 for on-call arborist consulting services is unbudgeted and will be supported by either the General Fund for single-tree removal permits or by the City's Pass-Through Agreements for major development projects. If performance is met, the additional \$40,000, for a revised not-to-exceed cost of \$80,000, will continue to be supported by the same funding sources.

For single tree removal permits, Planning Staff anticipate 30 tree removal permits over the next two years. The current tree removal fee of \$375 for 1-2 trees in the City of East Palo Alto's Comprehensive Fee Schedule effective July 1, 2022, is sufficient to cover the cost of these activities and will result in a more efficient use of staff time. To encourage compliance, the City Council approved tree removal permit fees for less than full cost recovery during the 2020 Comprehensive Fee Schedule. Staff do not recommend increasing the fee at this time in part to continue to encourage compliance, especially with the recently approved enhanced tree protection ordinance for private trees and Urban Forest Master Plan.

For major development projects, the existing tree removal fee is \$802 for 3+ trees, which is sufficient to cover the cost of review activities for major development projects related to tree removals. The cost for major development projects will be funded and recovered through the pass-through agreements with applicants.

Public Notice

The public was provided notice of this agenda item by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

A. Resolution

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH DAVEY RESOURCE GROUP, INC. TO PROVIDE ON-CALL ARBORIST CONSULTING SERVICES FOR TREE EVALUATIONS ON PRIVATE PROPERTY

WHEREAS, on April 19, 2022, the East Palo Alto City Council adopted an Urban Forest Master Plan (“UFMP”) to provide a roadmap towards a shared vision for the future of the city’s tree canopy and amendments to the Municipal Code for tree regulations; and

WHEREAS, as a part of that City Council direction and adoption of updated ordinances, staff were directed to hire an on-call tree arborist to assist City staff in carrying out the UFMP; and

WHEREAS, on July 13, 2022, staff issued a request for proposals for professional as-needed arborist consulting services to primarily advise and assist the Planning division within the Community & Economic Development Department; and

WHEREAS, on July 29, 2022, the City of East Palo Alto (“City”) received one bid by email that was evaluated by staff; and

WHEREAS, staff determined Davey Resource Group, Inc (“DRG”) has the desired qualifications, technical knowledge, and expertise to provide on-call arborist consulting services to assist City staff in carrying out the UFMP; and

WHEREAS, the on-call arborist consulting services will be supported by the General Fund for single-tree permits and by Pass-Through Agreements for major development projects.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY authorizes the City Manager to execute a consultant contract with DRG for on-call arborist consulting services, in a form approved by the City Attorney, for an initial cost of up to \$40,000 for a period up to two-years from contract execution with an option for a one-time extension of two years and an additional \$40,000 that can be renewed administratively if performance is satisfactory.

Attachment: Resolution (2400 : On-Call Arborist Consulting Services for Tree Evaluations on Private Property)

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Resolution (2400 : On-Call Arborist Consulting Services for Tree Evaluations on Private Property)



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Jay Farr, Maintenance Division Manager
Humza Javed, City Engineer

SUBJECT: West Coast Arborists Contract Amendment for \$50,000 - Public Trees

Recommendation

Adopt a Resolution approving a contract amendment with West Coast Arborists, Inc. for an additional amount of \$50,000 for tree maintenance services, for a total contract amount of \$150,000.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency
Priority No. 6: Create a Healthy and Safe Community

Background

During the FY 22/23 budget discussion, the City Council approved an additional \$50,000 for public tree maintenance and pruning services. This increase is consistent with City Council direction Resolution 77-2022.

Analysis

According to Urban Forestry Master Plan that was adopted on April 19, 2022 the budget of \$150,000 should be allocated annually for tree pruning and removal contract services.

Based on the existing tree inventory from 2013 and the current pruning costs for grid pruning, the project team estimates that moving to a 7-year grid pruning cycle would require an annual budget allocation of \$120,000. This would include contract pruning and an additional

\$30,000 for emergencies/ out-of-cycle pruning.

The contractor hired to conduct grid pruning can also update tree inventory information as part of the scope of work, and provide the City with an up-to-date inventory of all public trees, as recommended by the Urban Forestry Master plan.

Fiscal Impact

The current contract with West Coast Arborists for tree pruning services is not to exceed \$100,000 annually. With additional amount of \$50,000, the total annual contract amount would be a not to exceed amount of \$150,000.

The amount of \$150,000 is budgeted in the Public Works Maintenance Division FY 22/23 operational budget from City's General Fund.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

Attachments

A. Increase Contract amount of \$50,000 with West Coast Arborist

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AMENDMENT
WITH WEST COAST ARBORISTS TO INCREASE THE CONTRACT BY \$50,000
ANNUALLY FOR TREE MAINTENANCE SERVICES FOR A TOTAL CONTRACT
AMOUNT OF \$150,000**

WHEREAS, the City currently has a contract with West Coast Arborists, Inc. for tree maintenance services for \$100,000 annually through March 31,2024; and

WHEREAS, according to Urban Forestry Master Plan that was adopted on April 19, 2022, an annual budget of \$150,000 should be allocated annually for tree removal and pruning services; and

WHEREAS, during FY 2022-2023 budget discussions, the City Council approved an additional \$50,000 for public trees maintenance and services; and

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY authorizes the City Manager to execute a contract amendment with West Coast Arborists to increase the contract by \$50,000 annually for tree maintenance services to not to exceed \$150,000.

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Increase Contract amount of \$50,000 with West Coast Arborist (2373 : Increase contract amount of \$50,000 with West Coast



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Tomohito Oku, Finance Director
Bo-Kyoung Kim, Financial Services Manager

SUBJECT: 4th Quarter Treasury Report FY2021-22

Recommendation

Accept and file the Treasury Report for the fourth quarter ended June 30, 2022.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Priority No. 5: Improve Communication and Enhance Community Engagement

Background

Pursuant to Section 53646 of the Government Code of the State of California, the City Treasurer may submit a quarterly report to the City Council regarding the funds and investments of the City. The Finance staff provides quarterly reporting to the City Council indicating the summary of investments for the period and denoting the ability of the City to meet its expenditure requirements for the next three months.

Analysis

This report covers primary cash and investments of the City. For investment purposes, City cash is pooled, except for bond proceeds, which are held by a trustee. The City does not have, nor is it legally required to have, separate bank accounts for each individual fund. However, all cash is segregated in the City's accounting records.

As of June 30, 2022, the total deposit value of cash and investments equals \$116,928,476. The book value of deposits equals \$116,065,816 including outstanding checks and other minor adjustments of \$862,660. Compared to the prior quarter ended in March 2022, the FY 2021-22 fourth quarter (Q4) ending on June 30, 2022 total book value balance increased approximately \$5.3M. The overall increase is mainly due to an increase in General Fund cash (\$4.5M) attributed to approximately \$4.2 million property tax revenue receipts in April and May.

Summary June 30, 2022				
	Average Maturity (YRS)	Average Earnings (QTR)	Deposit and Book Value	Market Value
Petty Cash	n/a	n/a	\$ 10,800	\$ 10,800
Bank Checking	n/a	0.98%	\$ 3,300,410	\$ 3,300,410
Local Agency Investment Fund	0.85	0.69%	\$ 10,013,265	\$ 9,884,349
San Mateo County Pool Investment	1.52	1.08%	\$ 103,604,001	\$ 100,371,556
			\$ 116,928,476	\$ 113,567,115

The book market value totals \$112,704,455 including an unrealized loss of \$3,361,361 reflecting overall increases in treasury yields during the calendar year. The table below reflects changes in rates since June 30, 2021 and compared to the previous month of May 2022 demonstrating an increase in both short-term and long-term Treasury yields from May 31, 2022 as well as from a year ago flattening of longer term yields across the curve.¹

	Jun-22	May-22	Jun-21
6-month Treasury Bill	2.44	1.60	0.06
2-year Treasury Note	2.92	2.53	0.25
5-Year Treasury Note	3.01	2.81	0.87

The City's portfolio is invested in the Local Agency Investment Fund (LAIF) and the San Mateo County Treasurer's Pool. LAIF is a highly liquid investment pool operated by the State Treasurer, and the City has same-day access to the funds. The County Treasurer's Pool is less liquid, and the maturity and diversification of the underlying securities which in normally functioning markets is generally expected to result in higher yield. City staff does not control or direct the underlying investment of funds and each pool is managed by the respective agency's investment staff and oversight committee or board. March to June over quarter LAIF yields increased from 0.29% to 0.69% and San Mateo County Pool average gross pool earnings increased from 0.945% to 1.083%. San Mateo County Pool earnings are quoted on gross earnings.

Both LAIF and the County Pool fair value factors in the fourth quarter have dropped from 0.9888 to 0.9871 and from 0.9770 to 0.9688, respectively compared to the previous quarter. This is mainly due to the increase trend in Treasury yields indicated in the table above. Pursuant to California Government Code 53646 the City shall meet its expenditure requirements for the next six months.

Fiscal Impact

This report is informational.

¹ Daily Treasury Yield Curve Rates, Treasury.gov



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Batool Zaro, Assistant Civil Engineer
Humza Javed, City Engineer

SUBJECT: Grant Application for TA Cycle 6 Bike/Ped Program Funding – East Bayshore Sidewalk Improvements

Recommendation

Adopt a resolution supporting the East Bayshore Road Pedestrian and Bicycle Safety Improvements Project, authorizing the submittal of an application to the San Mateo County Transportation Authority for Cycle 6 Pedestrian and Bicycle Program Funding, and submitting a letter of support for the project.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 1: Enhance Public Safety and Emergency Preparedness
 Priority No. 4: Improve Public Facilities and Infrastructure
 Priority No. 6: Create a Healthy and Safe Community

Background

The San Mateo County Transportation Authority (TA) issued a Call for Projects for the Cycle 6 Measures, A and W, Pedestrian and Bicycle Program on August 4, 2022. The goal of the program is to fund projects that improve bicycling and walking accessibility and safety in San Mateo County, helping to encourage more residents to participate in active transportation.

Staff is proposing to submit an application to implement safety improvements along East Bayshore Road from University Avenue to Menalto Avenue. There have been two pedestrian fatalities within the project limits within the past two years.

Staff submitted a “Notice of Intent to Submit” and had a “Pre-submittal Meeting” with TA Staff recently.

Analysis

The improvements would include the installation of sidewalks, bikeways, traffic calming measures, and green infrastructure measures.

Staff is requesting \$400,000 from the TA for the East Bayshore Road Pedestrian and Bicycle Safety Improvements Project. The requested funding is to prepare the Plans, Specifications, and Estimates for the pedestrian and bicycle safety improvements along East Bayshore Road from University Avenue to Menalto Avenue.

Fiscal Impact

No fiscal impact associated with submitting the application. If the project is awarded, a five percent city match in the amount of \$20,000 would be required for the \$400,000 requested amount.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo Co. Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

- A. TA Application - Resolution
- B. East Palo Alto Support Letter_Mayor_TA Application

RESOLUTION NO. X

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**SUPPORTING THE EAST BAYSHORE ROAD PEDESTRIAN AND BICYCLE SAFETY
IMPROVEMENTS PROJECT AND AUTHORIZING STAFF TO SUBMIT AN APPLICATION TO THE
SAN MATEO COUNTY TRANSPORTATION AUTHORITY FOR CYCLE 6 PEDESTRIAN AND
BICYCLE PROGRAM FUNDING**

WHEREAS, the City of East Palo Alto has identified pedestrian and bicycle safety concerns on East Bayshore Road from University Avenue to Menalto Avenue; and

WHEREAS, the City has developed the East Bayshore Road Pedestrian and Bicycle Safety Improvements Project to implement measures to improve safety for pedestrians and bicyclists; and

WHEREAS, it will cost \$420,000 to prepare the Project Plans, Specifications, and Estimates; and the City seeks \$400,000 for the Project; and

WHEREAS, the San Mateo County Transportation Authority (TA) issued a Call for Projects for the Cycle 6 Measures A and W Pedestrian and Bicycle Program on August 4, 2022; and

WHEREAS, the TA requires the City Council to adopt a resolution:

1. Supporting the Project and application for \$400,000 in TA Measures A and W Pedestrian and Bicycle Program funds for Project;
2. Committing to the completion of the Project, including the commitment of matching funds in the amount of \$20,000 needed for implementation;
3. Certifying that any funds awarded by the TA will be used to supplement existing funds for program activities, and will not replace existing funds or resources; and
4. If funds are awarded, authorizing the City Manager or designee, to sign a funding agreement or memorandum of understanding (MOU) with the TA for TA Measures A and W Pedestrian and Bicycle Program funding for the Project and to take any other actions necessary to give effect to this resolution.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO HEREBY:

1. Directs staff to submit an application to the San Mateo County Transportation Authority for Measures A and W Pedestrian and Bicycle Program funds for \$400,000 for the East Bayshore Road Pedestrian and Bicycle Safety Improvements Project;
2. Authorizes the City Manager, or designee, to execute a funding agreement or MOU with the San Mateo County Transportation Authority to encumber TA Measures A and W Pedestrian and Bicycle Program funds;

- 3. Commits to the completing the Project, including contributing \$20,000 of matching funds needed for Project implementation, if the requested TA funds are awarded;
- 4. Certifies that any funds awarded by the TA will be used to supplement existing funds for program activities, and will not replace existing funds or resources; and
- 5. Authorizes the City Manager, or designee, to take any other actions necessary including signing of funding documents, to give effect to this resolution.
- 6. Commits to submitting a letter of support for the project

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Rubin Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney



September 12, 2022

San Mateo County Transportation Authority (TA)

RE: Letter of Support for the City of East Palo Alto TA Application

To Whom It May Concern,

On behalf of the City of East Palo Alto, I am writing to express our support for the City's San Mateo County Transportation Authority (TA) Cycle 6 Pedestrian and Bicycle Program Grant Application for improvements on East Bayshore Road. The grant seeks funds to prepare project plans, specifications, and estimates for pedestrian and bicycle improvements on East Bayshore Road from Menalto Avenue to University Avenue.

East Bayshore Road is a City connector street, and improvements along the street would help provide a better connection for residents and community members in the Palo Alto Park Area to the planned University Avenue Pedestrian Overcrossing. Traffic Calming efforts to slow speed and provide safe and convenient pedestrian access, especially along this street is a key priority for the City. East Bayshore Road also has large volumes of vehicle traffic utilizing the roadway to access University Avenue and Willow Road.

The project supports our City's Vision Zero goals of fatal and severe injury to zero. These improvements will get the City closer to our goal of eliminating traffic fatalities and reducing the number of non-fatal injury collisions by 50% by 2030. Two pedestrian fatalities occurred within the project area within the past 2-3 years.

We strongly support the TA Grant application for pedestrian and bicycle safety improvements on East Bayshore Road.

Sincerely,

Ruben Abrica
Mayor, City of East Palo Alto



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Azalea Renfield, Assistant to the City Manager

SUBJECT: Update on the Chief of Police Recruitment

Recommendation

It is recommended that the City Council:

1. Accept staff's report on the status of the Chief of Police recruitment; and
2. Direct the Interim City Manager to publish a future informational report complete with each Councilmember's appointee to serve on the five-member community panel for the recruitment of the Police Chief.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 1: Enhance Public Safety and Emergency Preparedness

Priority No. 6: Create a Healthy and Safe Community

Background

On October 2, 2018, the City Council adopted Resolution 5034 (Attachment 1), defining the selection process for the Chief of Police.

On November 5, 2021, Albert Pardini announced his pending retirement as the Chief of Police.

On February 1, 2022, City Council authorized the City Manager to enter into an agreement with Koff & Associates to provide recruitment services for the positions of City Manager and Police Chief. While both positions are currently underway, the Police Chief recruitment requires a formal process that involves community and further direction from City Council.

To reiterate, the formal process for Police Chief has the following steps:

1. The City Council shall select a recruitment firm to perform the recruitment for the position of Chief of Police. Once selected, the City Council, with Human Resources (HR) support shall work with the recruitment firm to develop a recruitment brochure.

This step has been completed, please see Attachment 2 for a copy of the recruitment brochure.

2. HR staff and the recruitment firm shall conduct a review of all applications received and reduce the candidate pool to the top 12 candidates.
3. HR staff and the recruitment firm shall:
 - a. interview and screen the top 12 candidates
 - b. provide the City Council the top 12 applications
 - c. produce a confidential closed session report recommending the top six candidates for City Council consideration.
4. The City Council shall review the top 12 applications, consider HR and recruitment firm confidential closed session report including recommendations, and after deliberation in closed session will select the top six candidates.
5. HR staff shall schedule two interview panels of:
 - a. law enforcement executives selected by HR staff and recruitment firm
 - b. five community members appointed at the sole discretion of each Council member
6. Each panel will provide to HR staff their interview and rating sheets including comments identifying their top three candidates. HR staff will provide all the material from the panels, in a confidential closed session report to the City Council.
7. The City Council shall meet in closed session to:
 - a. review the HR confidential closed session report and consider the recommendation of the two panels
 - b. interview the top six candidates
 - c. select the top three candidates for City Manager consideration.
8. The City Manager shall interview the top 3 candidates and make the final hiring decision.

The purpose of this staff report is to inform the City Council that the Interim City Manager is prepared to receive each Councilmember's nominee who they would like to serve on the community interview panel.

Analysis

Staff recommends that each Councilmember forward their nominee via email to Azalea Renfield, Assistant to the City Manager, by **Friday, September 30th**.

For the purpose of transparency and assuming staff receives the five nominees by the September 30th, staff will publish an informational report on the October 18, 2022 City Council agenda to inform the community and other stakeholders on who each councilmember appointed.

Next Steps

It is expected that the recruiting period will conclude in mid-October and the interview process will commence in late-October/early November. The goal is to complete the process by the end of November.

Fiscal Impact

None

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo County Library located at 2415 University Avenue, East Palo Alto.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a "project" pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

- A. Reso 5034 Selection Process for Future Chiefs of Police
- B. 2022 East Palo Alto Police Chief Recruitment Brochure

RESOLUTION NO. 5034

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
DEFINING THE SELECTION PROCESS FOR THE CHIEF OF POLICE**

WHEREAS, the East Palo Alto Municipal Code (“EPAMC”) sets forth the authority conferred upon City officers and employees to perform the functions of their respective offices; and

WHEREAS, in 1983, the City Council adopted Ordinance No. 13 creating the Office of the City Manager and establishing the powers and duties of the position. Ordinance No. 13 was subsequently amended and codified in Chapter 2.12 of the EPAMC; and

WHEREAS, in 1984, the City Council adopted Ordinance No. 49 creating the Police Department and the position of Chief of Police. Ordinance No. 49 is codified in Chapter 2.20 of the EPAMC; and

WHEREAS, the City Manager is the head administrative officer for the City of East Palo Alto, subject to the direction of the City Council. He is responsible for the administration of the affairs of the City, including management of the City’s departments and divisions; and

WHEREAS, the Chief of Police is the director of the Police Department, is responsible for the performance of the functions of the department and reports to the City Manager; and

WHEREAS, on March 20, 2018, the City Council adopted Ordinance No. 413 amending Chapter 2.20 of the East Palo Alto Municipal Code to authorize the City Manager to appoint the Chief of Police in consultation with the City Council; and

WHEREAS, Ordinance No.413 and amended Chapter 2.20 provides that the form of City Council consultation shall be established by resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO hereby establishes the following process for selection of a Chief of Police:

1. The City Council shall select a recruitment firm to perform the recruitment for the position of Chief of Police. Once selected, the City Council, with Human Resources (HR) support shall work with the recruitment firm to develop a recruitment brochure.

2. HR staff and the recruitment firm shall conduct a review of all applications received and reduce the candidate pool to the top 12 candidates.
3. HR staff and the recruitment firm shall: a) interview and screen the top 12 candidates, b) provide the City Council the top 12 applications; and, c) produce a confidential closed session report recommending the top six candidates for City Council consideration.
4. The City Council shall review the top 12 applications, consider HR and recruitment firm confidential closed session report including recommendations, and after deliberation in closed session will select the top six candidates.
5. HR staff shall schedule two interview panels of: a) law enforcement executives selected by HR staff and recruitment firm; and, b) five community members appointed at the sole discretion of each Council member.
6. Each panel will provide to HR staff their interview and rating sheets including comments identifying their top three candidates. HR staff will provide all the material from the panels, in a confidential closed session report to the City Council.
7. The City Council shall meet in closed session to: a) review the HR confidential closed session report and consider the recommendation of the two panels, b) interview the top six candidates, and c) select the top three candidates for City Manager consideration.
8. The City Manager shall interview the top 3 candidates and make the final hiring decision.

PASSED AND ADOPTED this 2nd day of October, 2018, by the following vote:

AYES: ROMERO, GAUTHIER, MOODY, RUTHERFORD
NOES: NONE
ABSENT: ABRICA
ABSTAIN: NONE

SIGNED:

Ruben Abrica

Ruben Abrica, Mayor

APPROVED AS TO FORM:

Rafael E. Alvarado Jr.

Rafael E. Alvarado Jr., City Attorney

ATTEST:

María Buell

María Buell, Deputy City Clerk

Attachment: Reso 5034 Selection Process for Future Chiefs of Police (2399 : Update on the Chief of Police Recruitment)

CITY OF EAST PALO ALTO, CALIFORNIA

Chief of Police



Attachment: 2022 East Palo Alto Police Chief Recruitment Brochure (2399 : Update on the Chief of Police Recruitment)



THE COMMUNITY

The City of East Palo Alto is a beautiful community located in the heart of the Silicon Valley, uniquely positioned to maximize its potential as a significant city in the region. Founded by speculators and farmers in 1849, the town was originally named Ravenswood. In 1983, the residents decided to incorporate as East Palo Alto. The City features a rich heritage, a culturally diverse community, and a moderate climate. Centrally located with close proximity to the San Jose and San Francisco international airports, East Palo Alto brings a commitment to the environment and to expanding open space and park facilities. This is a friendly residential community with a small town, family-oriented atmosphere, with a progressive public school district and excellent private schools. Major nearby colleges include Stanford University, San Jose State University, San Francisco State University, and the University of San Francisco. The population is approximately 31,500 with an area of 2.5 square miles.

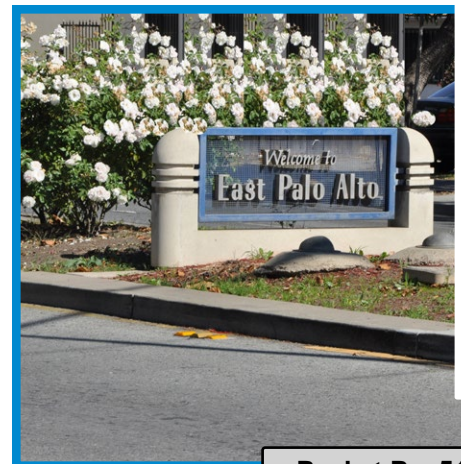
GOVERNANCE

The five-member City Council is the duly elected governing body of the City and are elected to serve four-year terms. To assist the Council and the citizens of the City in carrying out the duly established policies of the Council and to administer the needs of the City, the Council establishes the structure and procedures for governing and administering the City. The Council appoints the City Manager and City Attorney. The City Manager in turn appoints other City department heads, who are generally responsible for the proper function of their respective departments in carrying out the established policies of the Council and serving the needs of the citizens.

THE DEPARTMENT

The East Palo Alto Police Department is one of the most diverse police agencies in the Bay Area, reflective of our East Palo Alto community. It is committed to working with our community to develop and implement crime prevention and deterrence strategies while enforcing local, state, and federal laws and are dedicated to investing in training and developing officers to deliver the best possible service to its community.

The City of East Palo Alto is poised for significant development within the next several years. With the increased development, the City can expect to invest in critical infrastructure such as a new Police and City buildings to meet anticipated needs. The Departments has a staff of 44, including 36 sworn officers.



THE POSITION

Reporting the City Manager, the Chief of Police plans, organizes, manages, and provides direction and oversight for all functions and activities of the Police department, including field operations, criminal investigations, communications, and management services coordinates department activities with other City departments, officials, outside agencies, and the public; fosters cooperative working relationships among City departments and with intergovernmental and regulatory agencies and various public and private groups, and provides highly responsible and complex professional assistance and law enforcement expertise to the City Manager.

The incumbent is expected to exercise independent judgment, wisdom, common sense, and initiative in establishing efficient and effective departmental operations consistent with City Council objectives and administrative guidelines established by the City Manager. The incumbent must also function as a member of the City management team and participate actively in addressing issues of concern to the City which at times may not have a direct impact on their area of specialization. The City of East Palo Alto's next Chief of Police will guide and lead the department through the changes that are occurring in policing throughout the nation. This position requires someone who understands and is prepared to define and implement strategies and methodology required for law enforcement to be successful today and in the future.

Example of job duties include but are not limited to the following:

- Assumes full management responsibility for all police programs, services, and activities.
- Plans, organizes, controls, directs, and participates in the patrol of City streets, parks, commercial, and residential areas; reviews, analyzes, prioritizes, and coordinates response to emergency situations and observed or reported harmful or illegal conditions and activities by directing investigations or taking appropriate action; participates in responding to major incidents of crime; provides back-up and cover assistance to other officers as needed; detects, apprehends, arrests, and transports suspected or convicted criminals.
- Manages and participates in the development and administration of the department's budget; directs the forecast of additional funds needed for staffing, equipment and supplies; directs the monitoring of and approves expenditures; directs and implements budgetary adjustments as necessary; periodically reviews and authorizes specifications for new or replaced equipment.



- Selects, trains, motivates, and directs department personnel; evaluates and reviews work for acceptability and conformance with department standards, including program and project priorities and performance evaluations; works with employees to correct deficiencies; implements discipline and termination procedures, including assignment and review of internal affairs investigations; responds to staff questions and concerns.
- Promotes and ensures conformance to the City's commitment to integrity and community policing strategies.
- Contributes to the overall quality of the department's service by developing, reviewing and implementing policies and procedures to meet legal requirements and City needs; continuously monitors and evaluates the efficiency and effectiveness of service delivery methods and procedures; assesses and monitors the distribution of work, support systems and internal reporting relationships; identifies opportunities for improvement; directs the implementation of change.
- Develops cooperative working relationships and mutual aid agreements with representatives of other local public safety departments; coordinates activities with other law enforcement and public service agencies, including participation in high profile or complex investigations.
- Provides highly complex staff support to the City Manager and City Council on issues related to law enforcement and community policing activities; provides advice to City staff, external organizations, community groups, and the public on matters related to areas of expertise.
- Monitors legal, regulatory, technological, and societal changes and court decisions that may affect the work of the department; determines equipment acquisition, training programs and procedural changes to ensure retention of qualified staff and the provision of services to the community in an effective, efficient and economical manner.
- Represents the department to other City departments, elected officials, and outside agencies; explains and interprets departmental programs, policies, and activities; negotiates and resolves significant and controversial issues.
- Directs and participates in the preparation and maintenance of various records, reports, and files related to crimes, investigations, traffic accidents, dispatch, cases, staff, and department activities; prepares periodic, mandated, and special reports for the City and State; composes press releases, articles, and other publications concerning law enforcement investigations and other public safety issues.

- Coordinate, direct, and participate in the inspection of crime scenes to identify and collect potential and actual evidence; observes, interviews, and interrogates victims, witnesses, and suspects; analyze cases and identify trends for the adoption of best practices and improved procedures.
- Assess technology advances in law enforcement and opportunities for the East Palo Alto P.D.
- Attends, conducts, and participates in various meetings as assigned; attends and participates in various conferences and training sessions; prepares and delivers oral presentations concerning department activities, needs, and issues.
- Provides first aid, cardiopulmonary resuscitation (CPR) and rescue services at crime scenes, accidents, and other emergency situations as needed.
- Conducts special projects as required; effectively presents data and conclusions to City management, elected officials, and external agencies.

THE IDEAL CANDIDATE

The ideal candidate will be a seasoned professional with demonstrated success working through leadership transition in a diverse community while leading a law enforcement agency effectively in proactive community policing. The successful candidate will be open-minded, possess high moral character and have excellent communication and interpersonal skills necessary to build positive working relationships and partnerships at all levels within the department, with other City departments and the entire community. The Chief will provide consistent communication and outreach to East Palo Alto residents, businesses, and other key stakeholders; promote collaborative problem solving, involve citizens in fighting crime and establish successful relationships with outside organizations. The new Chief of Police will exemplify integrity and professionalism, while promoting service-oriented policing, engagement, and partnerships throughout the city and within the department. The ability to lead by example, be a team player and instill accountability while treating employees and citizens equitably and with respect will be essential to success. Qualified candidates will be open to input and have an inclusive problem-solving approach and embrace workforce diversity and inclusion.



It is imperative that City of East Palo Alto's Chief of Police understands the necessary relationship with the community and takes the opportunity to listen to and address community concerns with empathy, transparency, and understanding. Residents are engaged and having a Chief that is equally engaged and has a sense of being a part of this community while being open and present is critical for success in this position. East Palo Alto has a diverse population, so the new Chief must have experience in building local and regional partnerships while keeping a focus on protecting civil liberties.

Key Attributes and Characteristics

- Communicates clearly and concisely, both verbally and in writing.
- Plans, directs, and coordinates the work of the Police Service of East Palo Alto to meet short-term public safety objectives in concert with the Department's multi-year Strategic Plan priorities.
- Develops and administers sound Departmental policies, making decisions in accordance with laws, regulations, and City/ Department policies.
- Attracts and retains a diverse staff of sworn and civilian staff enriched by the cultural diversity which sets the city apart.
- Mentors and develops talented subordinates to assume increasing levels of responsibility in service to the community.
- Delegates, while monitoring performance. Holds all subordinates accountable in a timely manner and imposes discipline when appropriate.
- Promotes community unity and forges effective working relationships.
- Works constructively with all internal and external stakeholders, including command staff and labor organizations.
- Takes initiative to continue the Department's progress in the area of community-oriented policing.
- Leads by clear example, to ensure that officers value the richness of East Palo Alto's diversity and interacts with all community members in an unbiased manner.
- Invests in the City's future by reducing crime problems through meaningful intervention strategies.
- Uses innovation, technology, and strategic leadership to achieve the City's long-term vision for the Police Service of East Palo Alto.

QUALIFICATIONS

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

- Equivalent to a bachelor's degree in public administration, criminal justice, police science, or a related field.
- Seven (7) years + of progressively responsible service as a uniformed officer.
- Four (4) years + in a capacity similar to a Police Commander or equivalent classification with demonstrated advanced leadership experience.
- Possession of a Management certificate issued by the California State Commission on P.O.S.T.
- Possession of a valid Cardiopulmonary Resuscitation (CPR) certificate is required at the time of appointment.

SALARY AND BENEFITS

The salary range for this position is \$191,016.03 - \$232,181.17

The City also pays a competitive benefits plan as follows:

- **Retirement** – CalPERS Classic Members: 3% @ 50 formula; employees pay a nine percent (9%) pre-tax contribution. CalPERS New Members: 2.7% @ 57 formula.
- **Health Benefits** – For medical coverage, the City contracts with Sutter Health and Kaiser Permanente. City pays 100% employee Kaiser Coverage and 65% Dependent Coverage.
- **Dental Insurance** – Dental insurance is through Delta Dental. City pays full cost for employee only.
- **Life Insurance** – City pays for coverage up to \$150,000.
- **Long-Term Disability Insurance** – City pays for this coverage.
- **Paid Leave** – The City of East Palo Alto offers a generous paid leave program, including 13 paid holidays/year, 8 hours/year month sick leave, 80 hours per year of vacation, and up to 60 hours/year of Management leave.
- **Sick Leave** – 8 hours/month.
- **Employee Assistance Program**: The City of East Palo Alto offers an employee assistance program for employees and dependents that provides counseling and other services for dealing with life's challenges at no cost to the employee.

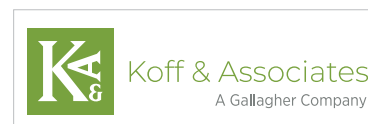
APPLICATION PROCESS AND RECRUITMENT SCHEDULE

The final filing date is Friday, October 21, 2022.

To be considered, please electronically submit your resume, cover letter and a list of six professional references (references will not be contacted in the early stages of the recruitment) to:

<https://koffassociates.com/chief-of-police-5/>

Resumes should reflect years and months of positions held, as well as size of staff and budgets you have managed. For additional information, please contact:



Frank Rojas
(510) 495-0448
frojas@koffassociates.com

Carlo Zabala
(510) 342-3233
czabala@koffassociates.com

Website: <https://koffassociates.com/>

Resumes will be screened based on the criteria outlined in this brochure. Candidates with the most relevant qualifications will be given preliminary interviews by the executive recruiter. Koff & Associates will report the results to the City. The City will then select candidates who will be invited to participate in a formal interview process. Extensive reference and background checks will be completed on the selected candidate.



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Greg Henry, Senior Management Analyst
Greg Henry, Senior Management Analyst

SUBJECT: Convenience Fee for Online Payments of Business License Tax and Penalties

Recommendation

Adopt a resolution authorizing the City Manager to set a convenience fee minimum for the use of credit cards and e-check transactions for online payments of Business License Tax and Penalties.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 2: Enhance Economic Vitality

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Background

On June 7, 2022 the City Council approved a three-year agreement with Hinderliter De Llamas & Associates (HdL) to provide Business License Tax Administration Service. As a reminder, the services will provide a turnkey approach for the City. HdL has a team of experts that can manage all the business tax operations conducted by the City. When combined with the Compliance Management services, the City will receive the benefit of increased revenues and superior customer service, while reducing internal costs and gaining efficiencies, a “trifecta” of increasing city revenues and support to the business community while simultaneously reducing costs.

HdL has provided a brochure of their products here:

<https://www2.hdlcompanies.com/misc/HdL%20Services%20Brochure.pdf>

HdL’s online portal was determined to be the best offered solution with the greatest ease of use and the highest level of sophistication for the City’s businesses. The City’s website will be

the starting point for all web-based activities. HdL's City specific site will look and feel like the City's own web pages, which ensures a level of continuity between the business community, the City and HdL.

HdL's website offers a variety of online functions to service the business community. While most of the website is a self-service platform for the business community, HdL staff reviews each account processed online for accuracy and compliance with City guidelines and procedures. Besides filing and paying for taxes, businesses can:

- Submit a closure request
- Pay a balance due
- Update account information
- Print Certificates
- Make public record inquiries

HdL has notified the City of anticipated operational transfer date of **October 24, 2022**.

Analysis

HdL's payment acceptance process accepts the following payment types:

- Check / Money Order /Cashier's Check
- E-Check
- Debit Cards
- Credit Cards (Visa, Mastercard, Discover, and American Express)
- Check by Phone

However, when businesses make payments via credit card or e-check there is an additional charge by the payment processors (not HdL) for using their services. As a result, it is appropriate for the City to pass that additional cost on to the businesses utilizing this new service in order to protect the City's revenue.

Fiscal Impact

Businesses paying their annual Business License Tax and Penalties will be charged a convenience fee for each online payment transaction. They will have the option to mail in a check, money order or cashier's check for no additional fee. Currently, the convenience fee is 2.9% or \$2.00 minimum for credit cards and \$1.25 for each e-check. If the payment processors increase their fees, the increases will be passed on to those utilizing credit cards or echecks.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

A. Resolution Convenience Fee for Online Payments of Business License Tax and Penalties

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**AUTHORIZING THE CITY MANAGER TO APPROVE A CONVENIENCE FEE
FOR CREDIT CARDS OR E-CHECK TRANSACTION FOR PAYMENTS OF BUSINESS
LICENSE TAXES AND PENALTIES**

WHEREAS, the City of East Palo Alto entered into a 3-year agreement with Hinderliter De Llamas & Associates (HdL) to provide Business License Tax Administration Services; and

WHEREAS, as part of the agreement, HdL will provide an online portal for businesses to file and pay their Annual Business License Tax; and

WHEREAS, as part of the agreement, HdL also will take some forms of payment over the phone; and

WHEREAS, when businesses make payments using a credit card or an echeck there is a charge by the transaction processors which should be borne by those utilizing the service; and

WHEREAS, when businesses make payments using check, money order or cashier's check there is no transaction charge.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO authorizes the City Manager to approve imposition of a pass-through convenience fee for credit cards and e-check transactions for payments of business license taxes and penalties, as set by the companies providing the services and acknowledging these fees may increase incrementally over time.

PASSED AND ADOPTED this 20th day of September 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Resolution Convenience Fee for Online Payments of Business License Tax and Penalties (2398 : Online Payment Plan for



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Batool Zaro, Assistant Civil Engineer
Humza Javed, City Engineer

SUBJECT: Intelligent Transit Signal Priority Project Update

Recommendation

Receive Presentation.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 4: Improve Public Facilities and Infrastructure
Priority No. 6: Create a Healthy and Safe Community

Background

Funded by City/ County Association of Governments (C/CAG) of San Mateo County, and managed by Sustainable Silicon Valley (SSV) and technology partner SinWaves, Inc. (doing business as LYT), the intelligent Transit Signal Priority (iTSP) pilot leverages a powerful coalition of project partners, including the City of East Palo Alto (EPA) and the San Mateo County Transit District (SamTrans). This partnership is committed to the shared goal of improving the on-time performance and travel time of buses within San Mateo County. EPA, a major traffic corridor in San Mateo County and also an Equity Priority Community, was chosen by the project team as an ideal location for this pilot.

The objective of the iTSP pilot project is to demonstrate the feasibility of a cloud-based, Artificial Intelligence-powered transit signal priority system. SSV's technology partner LYT created and deployed an intelligent, cloud-based iTSP system named LYT.speed. This system combines asset management, automation and machine learning to provide services to an entire region. Unlike hardware-based TSP systems, LYT.speed leverages pre-existing equipment and utilizes cloud technology and Computer-Aided Dispatch / Automatic Vehicles Location (CAD/AVL). This removes the need for vehicle detection hardware at the

intersections, because the vehicle location is known through the CAD/AVL system.

The location chosen for the iTSP pilot project is the highly-congested section of University Ave. in East Palo Alto (EPA) that is just over a half mile (0.65 miles) in length. This corridor is a subsection of SamTrans route 281 and includes the following intersections:

- University Ave. & Bay Rd.
- University Ave. & Runnymede St.
- University Ave. & Bell St.
- University Ave. & Donohoe St.

This six-month project involved the four intersections and utilized a fleet of 40 SamTrans buses equipped with low-cost wireless GPS devices. The LYT software dynamically adjusts the phase and timing of traffic signals to provide sufficient green clearance time, improving transit throughput and reducing travel time along the route, while minimally impacting cross traffic.

Analysis

Key results from the program include the following metrics and findings:

- TSP has reduced northbound *intersection delay* by 45% (40s) and southbound intersection delay by 19% (7s).
- These reductions translate to 18% and 7% reductions in *travel time* for northbound and southbound respectively.
- TSP increased green light success rates by 10% and 5% for northbound and southbound travel respectively.
- TSP allowed bus to travel 11% and 4% faster along University Ave for northbound and southbound respectively.

The lessons and experience from this project will inform a countywide TSP plan, which will serve as a blueprint for future capital investments in TSP throughout San Mateo County.

Additional information may be found on the City website here:

<https://www.cityofepa.org/publicworks/page/deploying-intelligent-transit-signal-priority-project-samtrans-east-palo-alto>

Fiscal Impact

No fiscal impact.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo Co. Library located at 2415 University Avenue, East Palo Alto.

Environmental

Awarding this contract is not a project under The California Environmental Quality Act (Section 21000, et. seq. of the California Public Resources Code, hereafter CEQA) because the action has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

Attachments

A. iTSP Fact Sheet

Deploying Intelligent Transit Signal Priority for SamTrans in East Palo Alto



NEED

The efficiency of local transit has a direct impact on residents of communities such as East Palo Alto. Designated as Equity Priority Community, the city's population consists of many bus-dependent residents. In fact, the number of Zero-Vehicle Households in the city is at 9%, compared to 6% countywide. Today, those bus-riding residents must stop at traffic signals 70% of the time, costing them valuable time on the way to work, school, or other obligations.

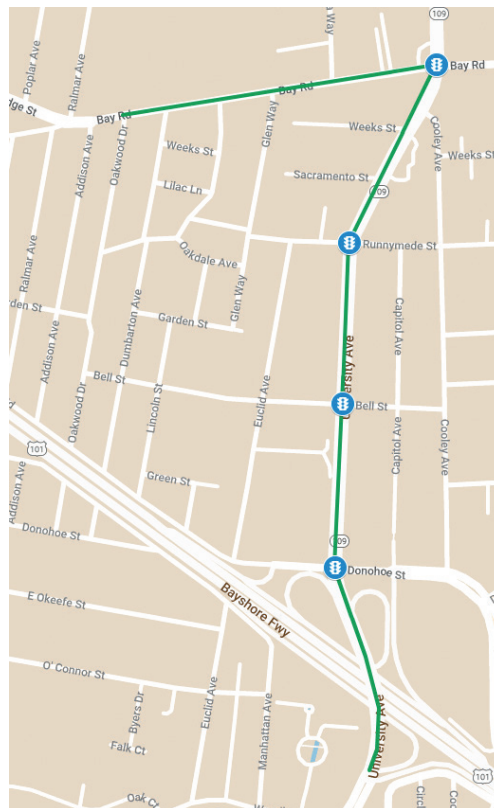
The City of East Palo Alto is one place where improvements in transit reliability and performance can improve the quality of life for residents. For example, slow bus travel speeds along University Avenue resulted in a consistently poor rider experience. The problem has forced residents to opt for other modes of transportation, which contribute to neighborhood traffic congestion. A transit-first solution needed to be found to break through the congestion and achieve equitable mobility solutions for area residents.



SCOPE

With over \$178,000 in funding from City/County Association of Governments of San Mateo County (C/CAG), Sustainable Silicon Valley (SSV) formed a coalition of public and private stakeholders including San Mateo County Transit District (SamTrans), City of East Palo Alto and LYT to deliver intelligent transit signal priority (iTSP) along University Ave.

LYT's cloud-based platform allows SamTrans buses to leverage machine learning principles and artificial intelligence to provide green lights more precisely. This improved efficiency means buses can keep on schedule while LYT.transit minimizes the disruption to other vehicles and side streets.



iTSP Pilot Corridor

The corridor where iTSP was installed includes a subsection of SamTrans Route 281 in the following intersections:

- University Ave. & Bay Rd.
- University Ave. & Runnymede St.
- University Ave. & Bell St.
- University Ave. & Donohoe St.

What is iTSP?

Ordinary Transit Signal Priority (TSP) solutions helps traffic signals gives green lights to buses passing through by using hardware transceivers. Intelligent Transit Signal Priority (iTSP) offers the same basic benefit, while also taking into account current traffic conditions and other road-level data, harnessing the power of the cloud for faster and more detailed analysis. The end result are perfectly timed, intuitive green lights that minimize disruption to other road users while keeping buses moving through congested intersections.

Deploying Intelligent Transit Signal Priority for SamTrans in East Palo Alto



BENEFITS

The iTSP pilot deployment on University Ave. yielded a significantly positive impact on several key performance indicators:



Without iTSP, buses stop at traffic signals 70% of the time. With iTSP deployed at key traffic intersections, the pilot demonstrated that buses spent less time idling and got riders to their destinations faster and more efficiently.



Reduced northbound intersection delays by 45% and southbound intersection delays by 19%. **These reductions translate to 18% and 7% reductions in travel time for northbound and southbound respectively.**



Increased the average speed on the University Ave. corridor by 11% in the Northbound direction and 4% in the Southbound direction.



Offered a transformational opportunity for the county to make its transit system more intelligent and streamlined than ever before with a cost-efficient solution.

Attachment: iTSP Fact Sheet (2374 : Intelligent Transit Signal Priority Project Update)

SCHEDULE

- Project Start: **May 2021**
- Pilot in Operation: **November 2021 - March 2022**
- Project End: **March 2022**

PROJECT CONTACT

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EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Patrick Heisinger, Interim City Manager

SUBJECT: Special Presentation from the East Palo Alto Sanitary District on Financing Options to Fund Infrastructure Improvements

Recommendation

It is recommended that the City Council allow representatives from the East Palo Alto Sanitary District (EPASD) to give a presentation regarding financing options for infrastructure improvements.

Background

On July 26, 2022, the City Council directed staff to take the necessary actions to draft the application to the San Mateo Local Agency Formation Commission (SMLAFCo) and to return to the City Council in the Fall with a draft application and resolution. If adopted, this action would initiate the Subsidiary District Process.

On July 27, 2022, the Director of Public Works sent a request to EPASD for several documents that would be necessary for the City to complete and submit the SMLAFCo application. Although EPASD was able to provide the City with some information, several key items were not received and therefore staff moved forward using alternative methods. For example, City staff requested GIS shapefiles, an EPASD 5-year Capital Improvement Plan (CIP), as well as the EPASD Hydraulic Model. EPASD was unable to provide these items for various reasons. Although the City was unable to acquire some of the requested information, the City's consultant, Freyer and Laureta, who once served as consultant to EPASD, felt that enough information about the EPASD system had been shared to facilitate their efforts to draft the necessary documents for the SMLAFCo application.

On August 31, 2022, Betsy Yanez, the EPASD Board President, sent a letter to Mayor Abrica requesting a meeting between members of the EPASD Board, staff, and consultants, along with the Mayor, Vice Mayor, and City staff.

On September 7, 2022, Mayor Abrica sent President Yanez a letter in response, suggesting that a transparent, engaging process would provide better outcomes than meeting behind

closed doors. As such, he invited EPASD and their consultants to present to the City Council, community, and other stakeholders at the City Council meeting on September 20, 2022.

EPASD agreed to attend the meeting on September 20, 2022.

Analysis

EPASD produced various documents in preparation for the September 20, 2022, City Council meeting. Without certainty of the EPASD preference for sharing the information presented in those documents with the City Council, City staff attached all of them.

Next Steps for the City

In conformance with City Council direction, staff intends to return to the City Council in October with a draft application and resolution, that if adopted, would initiate the Subsidiary District Process.

Fiscal Impact

None.

Public Notice

The public was provided notice by making the agenda and report available on the City's website and on a bulletin board located at City Hall: 2415 University Avenue, East Palo Alto.

Environmental

The action being considered does not constitute a "Project" within the meaning of the California Environmental Quality Act (CEQA), pursuant to CEQA Guideline section 15378 (b)(5), in that it is a government administrative activity that will not result in direct or indirect changes in the environment.

Attachments

- A. Rate Study
- B. EPASD Presentation
- C. Consultant Presentation
- D. Memorandum from EPASD



Capacity Charge Study

Final Report

September 7 , 2022



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APPENDIX A – GOVERNMENT CODE SECTIONS 66013, 66016, 66022, AND 66023

1. INTRODUCTION

The East Palo Alto Sanitary District (District) contracted with Hildebrand Consulting, LLC to conduct a Capital Charge Study (Study). The overall purpose of the Study is to review the District's existing Capacity Charges which apply to new sewer connections within the District's service area and update those charges as appropriate. Specifically, the update to the Capacity Charges are intended to incorporate the costs to expand the sewer system's capacity, as described in a 2021 amendment to the 2015 Sewer Master Plan.

Capacity Charges are the one-time charges paid by new development for capacity in the sewer system, including collection and treatment facilities. This report summarizes the analysis and proposed updates to the District's existing Capacity Charge, including the legal requirements and the Study's methodology for calculating the Capacity Charges.

In addition to updating the District's Capacity Charge, this Study recommend how to address circumstances when the cost of a pipeline expansion project to serve a proposed development far exceeds the Capacity Charge revenue that the new development would generate.

2. ACRONYMS

The acronyms used in this Study include:

ADU	accessory dwelling unit
BOD	biochemical oxygen demand
CCI	Engineering News Record's 20-cities Construction Cost Index
EDU	equivalent dwelling unit
ENR	Engineering News Record
EPASD	East Palo Alto Sanitary District
gpd	gallons per day
MGD	million gallons per day
PARWQCP	Palo Alto Regional Water Quality Control Plant
RCNLD	replacement cost new less depreciation
RWQCB	Regional Water Quality Control Board
SWRCB	State Water Resources Control Board
SS	total suspended solids

3. DISTRICT BACKGROUND

The EPASD is an independent, community-owned and operated public agency that provides wastewater collection and treatment service to East Palo Alto and adjacent areas of Menlo Park and San Mateo County. EPASD was established in 1939 and is governed by a 5-member board of directors elected at large from the community.

The District provides wastewater collection service to portions of the communities of Menlo Park and East Palo Alto, located in San Mateo County in the San Francisco Bay Area. The District's service area is primarily residential with several commercial and industrial parcels. The District's service area encompasses nearly 1,230 acres, or 1.92 square miles. The District's collection system is a gravity system with over 30 miles of sanitary sewer pipelines and is operated and maintained in accordance with the requirements of the State Water Resources Control Board (SWRCB), as administered through the Statewide Sanitary Sewer Overflow Waste Discharge Requirements and Regional Water Quality Control Board (RWQCB) Sewer System Management Plan guidelines.

The District's sewage is conveyed to the Palo Alto Regional Water Quality Control Plant (PARWQCP) for treatment and disposal. The PARWQCP is a regional wastewater treatment plant owned and operated by the City of Palo Alto on behalf of a number of regional agencies. EPASD currently owns 7.34 percent of the capacity in the PARWQCP.

4. PROJECT BACKGROUND

The District's last Capacity Charge study was conducted in 2018 and was, in part, based on the District's 2015 Sewer Master Plan, which was based on the City of East Palo Alto's 1999 General Plan and Zoning Ordinance. Since that time, the District's Master Plan has been amended¹ in order to capture changes in land use identified by the City of East Palo Alto's 2035 General Plan. Significantly, the 2035 General Plan reflects to the fact that the City has recently lifted a long-standing moratorium on growth.

The District's Amended 2015 Sewer Master Plan identifies approximately \$35 million of pipeline up-sizings needed to accommodate flows from potential new development based on the 2035 General Plan & rezoning. The growth described by the 2035 General Plan would also require the District to purchase additional capacity in the PARWQCP (capacity of 1 million gallons per day (MGD) at a cost of \$5 million). Most, if not all, of these expansion costs are expected to be debt financed by the District.

¹ Addendum to the March 2015 East Palo Alto Sanitary District Master Plan Update, dated April 28, 2021

5. CAPACITY CHARGE AUTHORITY

California state law gives the District broad authority to charge for capital facilities. The limitations of that authority are encompassed by the requirement that charges on new development bear a reasonable relationship to the needs created by, and the benefits accruing to that development. California courts use that reasonableness standard to evaluate the constitutionality of exactions on new development, including Capacity Charges.

Government Code Section 66013 (see **Appendix A**) contains specific requirements related to the imposition of capacity charges. In general, Capacity Charges must not exceed the estimated reasonable cost of providing service.

6. INTRODUCTION TO CAPACITY CHARGE METHODOLOGIES

There are various methods that can be used to calculate Capacity Charges. Each method has varying advantages and disadvantages, as well as applicability in a given situation. Within all of the available methodologies there are two primary approaches. Other methodologies are usually some variation or combination of these two methods. The two primary methods are described below to illustrate the different perspectives that can be used to determine appropriate fees.

6.1. SYSTEM BUY-IN METHODOLOGY

Many utility facilities are oversized when initially constructed in anticipation of future development, particularly infrastructure such as pumping facilities and wastewater treatment facilities. The system Buy-In method is based on the past investments in the capital facilities made by current customers. The 'Buy-In' concept means that existing system users, through Capacity Charges and user rates, have financed a valuable public capital facility. The Capacity Charge assessed to new customers is designed to recognize those previous investments into the system and equitably charge developers for "joining" the system. The Buy-In fee is calculated by establishing the system's current fixed asset value (accounting for inflation and depreciation), adding applicable assets (such as cash reserves designated for capital spending), and deducting relevant liabilities (principal owed on long-term debt). This value is then divided by the system's capacity, which yields the unit costs that are the basis for the Capacity Charges. By calculating the Capacity Charges in this manner, new development buys into the existing capital facilities on par with existing development. The cost of future repair and replacement of the existing assets are then shared equally by all customers going forward (through user rates).

Capacity Charges based on the Buy-In method are a reimbursement for past capital costs. Therefore, the use (as defined in the Government Code) of the fee is to reimburse the District. Once reimbursed, the District is able to spend fee revenue as it desires (normally on capital projects).

The system Buy-In method is best applied in areas where foreseeable growth can be served by existing infrastructure.

6.2. INCREMENTAL METHODOLOGY

The Incremental cost methodology is also a common approach for Capacity Charges, particularly for utilities that are at, or near, capacity and are expecting more growth. The approach is based on the cost of new or planned capital facilities. The cost of expanding the existing facilities is allocated to the new development based on their need for capacity. The premise is that the existing system is being used at full capacity by existing customers and that any new development will necessitate expansion of the system. As such, new customers pay for the Incremental costs for expanding the system. The cost of adding new capacity is usually derived from the District's capital improvement plan or master plan and may include the cost of financing the project (interest expenses).

Capacity Charges based on the Incremental cost methodology are subject to statutory accounting requirements because fee revenue must be accounted for until the specific capital improvements are constructed. For reference, Appendix A includes statutory requirements for accounting for Capacity Charges.

7. EXISTING CHARGES

Based on the findings of the 2018 Capacity Charge Study, the District currently charges \$6,060 per equivalent dwelling unit (EDU), which assumes a flow of 240 gallons per day (gpd), and wastewater strength of 200 mg/L of biochemical oxygen demand (BOD) and 200 mg/L of total suspended solids (SS). BOD and SS are two industry-standard measures of wastewater strength used in rate and fee setting. Charging new connections based on sewer strength ensures that new customers with wastewater that contains higher-strength concentrations of BOD and SS will pay for their proportionate share of facility costs related to wastewater treatment.

The existing Capacity Charges were calculated using the Buy-In approach since the 2018 Capacity Charge study relied on the original 2015 Master Plan, which was informed by the City of East Palo Alto's 1999 General Plan. The more recent Addendum to the 2015 Master Plan incorporates the significant capital expansion identified in the 2035 General Plan.

8. PROPOSED STUDY METHODOLOGY

This Study proposes to use the Incremental methodology since there remains a very limited amount of available capacity and it is reasonable for the District to reserve that remaining capacity as a safety factor against sanitation sewer overflow (SSO) events. This is combined with the fact that the 2035 General Plan and the 2015 Sewer Master Plan describe the need for significant and imminent capacity expansion. As previously described, the Incremental methodology consists of dividing the estimated cost of system expansion projects by the amount of new capacity that those projects will create. In this case, there are two components: the collection system expansion and the purchase of more capacity at the wastewater treatment plant (PARWQCP)

Capacity Charge Equation:

$$\frac{\text{Cost of Collection System Expansion}}{\text{Increase in Collection System Capacity}} + \frac{\text{Cost of PARWQCP Capacity}}{\text{Amount of PARWQCP Capacity}}$$

The remainder of this report describes the data and methodology used to calculate the proposed Capacity Charges.

9. SOURCE DATA

The following data was used for calculating the proposed Capacity Charges:

- Addendum to the March 2015 East Palo Alto Sanitary District Master Plan Update, dated April 28, 2021
- Wastewater Capacity Charge Update, Bartle Wells Associates, December 2018
- Staff communications (email)

10. CAPACITY CHARGE CALCULATION

The Capacity Charge calculation is divided into a collection system component and a treatment plant component.

10.1. COLLECTION SYSTEM COMPONENT

For purposes of this Study, the assumed cost of expanding the collection system is based on the cost estimates provided by the Amended 2015 Sewer Master Plan, which describes an expansion of 1.08 MGD in collection system capacity (see page 5). As shown in Table 1 below, in addition to the direct costs of expanding the collection system, this Study includes the estimated future cost of debt financing the expansion projects since the District does not intend to use ratepayer-funded reserves to finance the projects.

In light of the proposed District policy that is discussed in Section 11, it is necessary to further divide the collection system costs into trunk costs (the trunk line that feeds the PARWQCP and serve all customers) and local collection system costs (the collection pipes that serve more specific areas). This is important because (as discussed in Section 11), some projects will be required to directly finance the cost of expanding local collection pipelines, which will be done in lieu of paying “Local Collection” Capacity Charges. Those customers, however, will still be required to pay “Trunk” Capacity Charges as well as the Treatment Plant Capacity Charge.

It should be noted that this Study acknowledges that the expansion-related projects for the local collection system will simultaneously rehabilitate or improve existing pipelines (for example, a 4” line with 40 years of remaining expected useful life is replaced with a new 6” line that has an expected useful life of 80 years). Significantly, the District has some discretion in how to allocate costs between expansion versus rehabilitation. This is because the vast amount of the cost of replacing a

pipe has nothing to do with the pipe itself, but rather the cost of opening the street, excavating the trench, filling the trench, and patching the street. The only real cost difference between a pipe expansion project and a pipe replacement project is the marginal cost between a smaller diameter pipe and a larger diameter pipe, which is a small fraction of the total project cost. As such, the majority of the costs typically allocated to the project “driver” (in other words, is (1) a healthy pipe being replaced early because a larger pipe is needed for development or (2) is a failing pipe being upsized in anticipation of growth that may happen in the future). In this case, most of the pipelines that are proposed to be upsized have a considerable amount of expected useful life remaining (per District staff), as such the *project driver is expansion*, not rehabilitation. As such, it is reasonable that the District recover 70 percent of the project costs from developers, while recovering 30 percent from rate payers in recognition of the rehabilitation benefits.

The two tables below provide the calculation of the unit costs for the Trunk Capacity Charge and the Local Collection Capacity Charge, based on the estimated costs of the projects and the amount of new capacity that will be created.

Table 1 - Trunk Incremental Cost Per Unit of Capacity

Estimated cost of Trunk expansion ¹ :	\$13,000,000
Projected interest expense ² :	\$12,370,060
Proposed additional Trunk System capacity ³ :	1,080,000
Cost recovery percent for fee calculation ⁴ :	100%
Trunk Unit cost (\$/gpd):	\$23.49

¹ Source: Amended 2015 Sewer Master Plan and email from District staff (Akin Okupe, July 1, 2022)

² Assumes 5 percent interest and 30 year repayment period

³ Source: Amended 2015 Sewer Master Plan

⁴ The Trunk expansion consists of adding a second trunk, which is entirely to serve growth.

Table 2 - Local Collection Incremental Cost Per Unit of Capacity

Estimated cost of Local Collection System expansion ¹ :	\$22,156,000
Projected interest expense ² :	\$21,082,388
Proposed additional Local Collection System capacity ³ :	1,080,000
Cost recovery percent for fee calculation ⁴ :	70%
Local Collection Unit cost (\$/gpd):	\$28.02

¹ Source: Amended 2015 Sewer Master Plan (total cost less Trunk cost)

² Assumes 5 percent interest and 30 year repayment period

³ Source: Amended 2015 Sewer Master Plan

⁴ District policy based on estimated rehabilitation value of replacing existing pipeline

10.2. TREATMENT PLANT COMPONENT

The proposed purchase of new PARWQCP capacity is 1.0 MGD, which is expected to cost \$5 million (see Table 3). As with the collection system expansion costs, this Study includes the cost associated with debt financing these costs.

The treatment plant costs are allocated to both wastewater flows as well as to wastewater strength, as measured by BOD and SS. Consistent with the 2018 Capacity Charge study, the treatment costs are allocated 34 percent to flow, 33 percent to BOD, and 33 percent to SS. Also consistent with the 2018 Capacity Charge study, it is assumed that the average strength of flow at the PACWQCP is 250 mg/L of BOD and 225 mg/L of SS. Table 3 summarizes the resultant unit costs for flow, BOD and SS.

Table 3 - Treatment Plant - Incremental Cost Per Unit of Capacity

Cost of Capacity Rights in the PARWQCP: \$5,000,000				
Interest Expense: \$4,758,000				
Cost recovery percent for fee calculation ² : 100%				
Cost Allocation	<u>Flow</u>	<u>BOD</u>	<u>SS</u>	<u>Total</u>
Cost Allocation (%):	34.0%	33.0%	33.0%	100%
Cost Allocation (\$):	\$3,317,720	\$3,220,140	\$3,220,140	\$9,758,000
Wastewater Strength at PARWQCP ² :		250 mg/L	225 mg/L	
EPASD Buildout Capacity at PARWQCP:	1,000,000 gpd	761,518 lbs/year	685,367 lbs/year	
Unit Cost:	\$3.318 per gpd	\$4.229 per lb	\$4.698 per lb	

¹ Source: 2018 Capacity Charge Study and based on historical influent wastewater strength at the wastewater treatment plant.

² The purchase of additional capacity at the treatment plant is entirely to serve new growth.

10.3. CAPACITY CHARGES FOR RESIDENTIAL ACCOUNTS

The total Capacity Charge is calculated by adding the Trunk Capacity Charge to the Local Collection Capacity Charge to the Treatment Plant component, as shown in Table 4. The total Capacity Charge is assessed to each residential dwelling unit. The assumed flow and strength of the wastewater for residential accounts is based on the assumptions from the 2018 Capacity Charge study, which relied on the District's engineering design estimates and standards as published by the State Water Resources Control Board (SWRCB).

Table 4 - Proposed Capacity Charge per EDU

	Flow	BOD	SS
Equivalent Dwelling Unit (EDU) Loadings ¹	240 gpd	200 mg/l 0.4006 lbs/day	200 mg/l 0.4006 lbs/day
Cost Recovery Components			
Trunk Expansion:	\$23.49	-	-
Local Collection System Expansion:	\$28.02	-	-
PARWQCP Buy-In Cost:	\$3.318	\$4.229	\$4.698
Subtotal:	\$54.83	\$4.229	\$4.698
	per gpd	per lb	per lb
Capacity Charge per EDU			
Trunk Cost Recovery:	\$5,637.79	-	-
Local Collection Cost Recovery:	\$6,725.97		
Treatment Plant Cost Recovery:	\$796.25	\$618.69	\$687.43
Total Cost Recovery:	\$13,160.02	\$618.69	\$687.43
Percent of Total:	89.4%	5.0%	5.6%
	Trunk Capacity Charge (per EDU):	\$5,637	
	Local Collection Capacity Charge (per EDU):	\$6,725	
	Treatment Plant Capacity Charge (per EDU):	\$2,102	
	Total Capacity Charge (per EDU):	\$14,464	

¹ Based on 2018 Capacity Charge study, which used current engineering design estimates and SWRCB standards

Per California state law, the District is not authorized to assess Capacity Charges on all accessory dwelling units (ADU). This area of the law currently in flux; therefore, the District should consult with legal counsel regarding the most current laws. For those ADUs that are eligible to be charged a Capacity Charge, the fee will be \$964.00 per plumbing fixture (based on the District's estimate that an average single-family home has 15 plumbing fixtures).

10.4. CAPACITY CHARGES FOR NON-RESIDENTIAL ACCOUNTS

Capacity Charges are assessed to non-residential accounts based on the number of EDUs assigned to the connection, which are derived based on the estimated wastewater flow and strength loadings of each connection according to the formula shown in Figure 1. The fractions shown in Figure 1 (which effectively "weight" the relative importance of flow vs. BOD vs. SS) are taken from the percentages shown in Table 4.

Figure 1 - Calculation of Non-Residential EDUs

$$\text{Number of EDUs} = 0.894 \times \text{Flow} / 240 \text{ gpd} + 0.05 \times \text{BOD} / 200 \text{ mg/l} + 0.056 \times \text{SS} / 200 \text{ mg/l}$$

11. RECOMMENDED POLICY FOR DEVELOPER FINANCING

When building pipeline expansion projects to serve new development (“Pipeline Project”), it is the District’s assumption that either (a) the proposed development is large enough to generate enough Capacity Charge revenue to justify the Pipeline Project or (b) the Pipeline Project serves an area where a material amount of additional subsequent development (and hence Capacity Charge revenue) is imminent. In some cases, however, relatively small developments may require Pipeline Projects whose costs are disproportionate to the amount Capacity Charge revenue that are expected to be generated. This would occur if the original development were relatively small and future additional development in the area is uncertain. For purposes of this Report, these types of proposed development projects are referred to as “Under Scaled” projects. While Capacity Charges are typically adequate to pay for the cost of expansion, Under Scaled projects are not large enough to justify the costs of the Pipeline Project.

Under Scaled projects put the District (i.e., existing ratepayers) in the position of taking a significant financial risk for the benefit of a limited number of new customers. While the District should work towards meeting the future wastewater service needs of the growing community (in part, as described by the City of Palo Alto’s General Plan), the District may prioritize its right to protect its existing rate payers from subsidizing the cost of development. In order to both (1) financially protect existing rate payers and (2) give developers a means by which to proceed with Under Scaled projects, it is proposed that the District adopt a policy whereby the developers of Under Scaled projects are required to finance a significant portion of the Pipeline Project (a cost that would be, by definition, greater than the Local Collection Capacity Charges normally owed by the developer). Then, if and when future development does occur in the area served by the Pipeline Project, the original developer would recover the equivalent of the then-current Local Collection Capacity Charges from the subsequent developers.

The following terms are proposed to serve as a framework for detailing a formal District policy:

- The District is authorized to designate any development as being Under Scaled if the projected Local Collection Capacity Charge revenue is less than 50 percent of the cost of the required pipeline expansion project (including soft costs).
- The designation of a development as Under Scaled District would be influenced by the District’s understanding of the potential for future development in the area. The District would have the discretion to determine whether that growth potential was sufficient to adequately fund the Pipeline Project (i.e., generate Local Collection Capacity Charge revenue equal to at least 50 percent of the cost of the pipeline project).
- The developer of an Under Scaled project would be required to pay for 50 percent of the cost of the Pipeline Project (hereafter referred to as the “Developer Finance Contribution”).
- The difference between the Developer Finance Contribution and the amount that the developer would have otherwise paid through Local Collection Capacity Charges is the

amount that would be eligible to be reimbursed to the developer through the Local Collection Capacity Charges paid by future developers (“Reimbursable Amount”).

12. ADMINISTRATION AND UPDATES

The following describes the District’s on-going administrative responsibilities regarding the Capacity Charges.

12.1. REPORTING REQUIREMENTS

As previously discussed, when using the Incremental methodology, the District is responsible for reporting the use of the *Incremental portion* of the Capacity Charge revenue to demonstrate that the revenue is being used to fund expansion-related capital projects. For reference, Appendix A includes the statutory requirements for accounting for Capacity Charges. On an annual basis the District should report the annual Capacity Charge revenue, the use of funds, the beginning and ending balance of the designated fund, and a description of how the funds were used in the previous year. Additional reporting requirements are listed in Government Code Section 66018.

12.2. INFLATIONARY ADJUSTMENTS

The District may elect to annually adjust the Capacity Charges for the effects of inflation using the CCI. The Capacity Charges in Table 4 have been indexed to a CCI value of 13,111 (June 2022).

APPENDIX A – GOVERNMENT CODE SECTIONS 66013, 66016, 66022, AND 66023

66013. (a) Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) As used in this section:

(1) "Sewer connection" means the connection of a structure or project to a public sewer system.

(2) "Water connection" means the connection of a structure or project to a public water system, as defined in subdivision (f) of Section 116275 of the Health and Safety Code.

(3) "Capacity charge" means a charge for facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged.

(4) "Local agency" means a local agency as defined in Section 66000.

(5) "Fee" means a fee for the physical facilities necessary to make a water connection or sewer connection, including, but not limited to, meters, meter boxes, and pipelines from the structure or project to a water distribution line or sewer main, and that does not exceed the estimated reasonable cost of labor and materials for installation of those facilities.

(c) A local agency receiving payment of a charge as specified in paragraph (3) of subdivision (b) shall deposit it in a separate capital facilities fund with other charges received, and account for the charges in a manner to avoid any commingling with other moneys of the local agency, except for investments, and shall expend those charges solely for the purposes for which the charges were collected.

Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

(d) For a fund established pursuant to subdivision (c), a local agency shall make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

(1) A description of the charges deposited in the fund.

(2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.

(3) The amount of charges collected in that fiscal year.

(4) An identification of all of the following:

(A) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

(B) Each public improvement on which charges were expended that was completed during that fiscal year.

(C) Each public improvement that is anticipated to be undertaken in the following fiscal year.

(5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

(e) The information required pursuant to subdivision (d) may be included in the local agency's annual financial report.

(f) The provisions of subdivisions (c) and (d) shall not apply to any of the following:

(1) Moneys received to construct public facilities pursuant to a contract between a local agency and a person or entity, including, but not limited to, a reimbursement agreement pursuant to Section 66003.

(2) Charges that are used to pay existing debt service or which are subject to a contract with a trustee for bondholders that requires a different accounting of the charges, or charges that are used to reimburse the local agency or to reimburse a person or entity who advanced funds under a reimbursement agreement or contract for facilities in existence at the time the charges are collected.

(3) Charges collected on or before December 31, 1998.

(g) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion imposing a fee or capacity charge subject to this section shall be brought pursuant to Section 66022.

(h) Fees and charges subject to this section are not subject to the provisions of Chapter 5 (commencing with Section 66000), but are subject to the provisions of Sections 66016, 66022, and 66023.

(i) The provisions of subdivisions(c) and (d) shall only apply to capacity charges levied pursuant to this section.

66016. (a) Prior to levying a new fee or service charge, or prior to approving an increase in an existing fee or service charge, a local agency shall hold at least one open and public meeting, at which oral or written presentations can be made, as part of a regularly scheduled meeting. Notice of the time and place of the meeting, including a general explanation of the matter to be considered, and a statement that the data required by this section is available, shall be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. Any written request for mailed notices shall be valid for one year from the date on which it is filed unless a renewal request is filed. Renewal requests for mailed notices shall be filed on or before April 1 of each year. The legislative body may establish a reasonable annual charge for sending notices based on the estimated cost of providing the service. At least 10 days prior to the meeting, the local agency shall make available to the public data indicating the amount of cost, or estimated cost, required to provide the service for which the fee or service charge is levied and the revenue sources anticipated to provide the service, including General Fund revenues. Unless there has been voter approval, as prescribed by Section 66013 or 66014, no local agency shall levy a new fee or service charge or increase an existing fee or service charge to an amount which exceeds the estimated amount required to provide the service for which the fee or service charge is levied. If, however, the fees or service charges create revenues in excess of actual cost, those revenues shall be used to reduce the fee or service charge creating the excess.

(b) Any action by a local agency to levy a new fee or service charge or to approve an increase in an existing fee or service charge shall be taken only by ordinance or resolution. The legislative body of a local agency shall not delegate the authority to adopt a new fee or service charge, or to increase a fee or service charge.

(c) Any costs incurred by a local agency in conducting the meeting or meetings required pursuant to subdivision (a) may be recovered from fees charged for the services which were the subject of the meeting.

(d) This section shall apply only to fees and charges as described in Sections 51287, 56383, 57004, 65104, 65456, 65863.7, 65909.5, 66013, 66014, and 66451.2 of this code, Sections 17951, 19132.3, and 19852 of the Health and Safety Code, Section 41901 of the Public Resources Code, and Section 21671.5 of the Public Utilities Code.

(e) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion levying a fee or service charge subject to this section shall be brought pursuant to Section 66022.

66022. (a) Any judicial action or proceeding to attack, review, set aside, void, or annul an ordinance, resolution, or motion adopting a new fee or service charge, or modifying or amending an existing fee or service charge, adopted by a local agency, as defined in Section 66000, shall be commenced within 120 days of the effective date of the ordinance, resolution, or motion.

If an ordinance, resolution, or motion provides for an automatic adjustment in a fee or service charge, and the automatic adjustment results in an increase in the amount of a fee or service charge, any action or proceeding to attack, review, set aside, void, or annul the increase shall be commenced within 120 days of the effective date of the increase.

(b) Any action by a local agency or interested person under this section shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

(c) This section shall apply only to fees, capacity charges, and service charges described in and subject to Sections 66013 and 66014.

66023. (a) Any person may request an audit in order to determine whether any fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of any product or service provided by the local agency. If a person makes that request, the legislative body of the local agency may retain an independent auditor to conduct an audit to determine whether the fee or charge is reasonable.

(b) Any costs incurred by a local agency in having an audit conducted by an independent auditor pursuant to subdivision (a) may be recovered from the person who requests the audit.

(c) Any audit conducted by an independent auditor to determine whether a fee or charge levied by a local agency exceeds the amount reasonably necessary to cover the cost of providing the product or service shall conform to generally accepted auditing standards.

(d) The procedures specified in this section shall be alternative and in addition to those specified in Section 54985.

(e) The Legislature finds and declares that oversight of local agency fees is a matter of statewide interest and concern. It is, therefore, the intent of the Legislature that this chapter shall supersede all conflicting local laws and shall apply in charter cities.

(f) This section shall not be construed as granting any additional authority to any local agency to levy any fee or charge which is not otherwise authorized by another provision of law, nor shall its provisions be construed as granting authority to any local agency to levy a new fee or charge when other provisions of law specifically prohibit the levy of a fee or charge.

East Palo Alto Sanitary District

Sewer Infrastructure Financing options for Development Project September 2022

Table of Content

- Existing Infrastructure
- New Developments
- Financing options
- Conclusion
- Way Forward

Existing Infrastructures

- Consists of 15 drainage basins
- Approximately 70% of the pipes are six inches
- The trunk line running to the plant is 24-inches
- Serves most of East Palo Alto and Menlo Park
- Consists of a siphon below the Creek

New Developments

- New developments will require a system capacity of 4 MGD
- Upgrade will cost about \$40 million
- Approximately 42,000 ft of pipe upgrade required
- Projects cannot be phased
- Trunk line only has 100,000 GPD left in capacity
- Existing siphon has adequate capacity

Financing Options

- Municipal Bond- will require a rate increase from the \$600 to \$1100 per year
- Grants- A grant consultant has been retained for this purpose
- Mello Roos Tax- Work in progress
- Combination of municipal bond and grant
- Low interest loan
- Pay as you go

Conclusion

- Rate Study completed
- Capacity study completed- with this option, all developers can get will serve letters
- Mello Roos Tax work in progress
- Master Plan completed
- CCTV Project in progress
- Light Tree Project Awarded
- Grant consultant hired
- Coordination with Rate Committee ongoing

Way Forward

- Schedule a meeting between developers and Consultants
- Look for Grants
- Complete Mello Roos Tax study plan
- Adopt the option with the most mutual benefit
- Give will serve letters to all developers



2022 Capacity Charge Study

September 20, 2022



Attachment: Consultant Presentation (2405 : East Palo Alto Sanitary District on Financing Options to

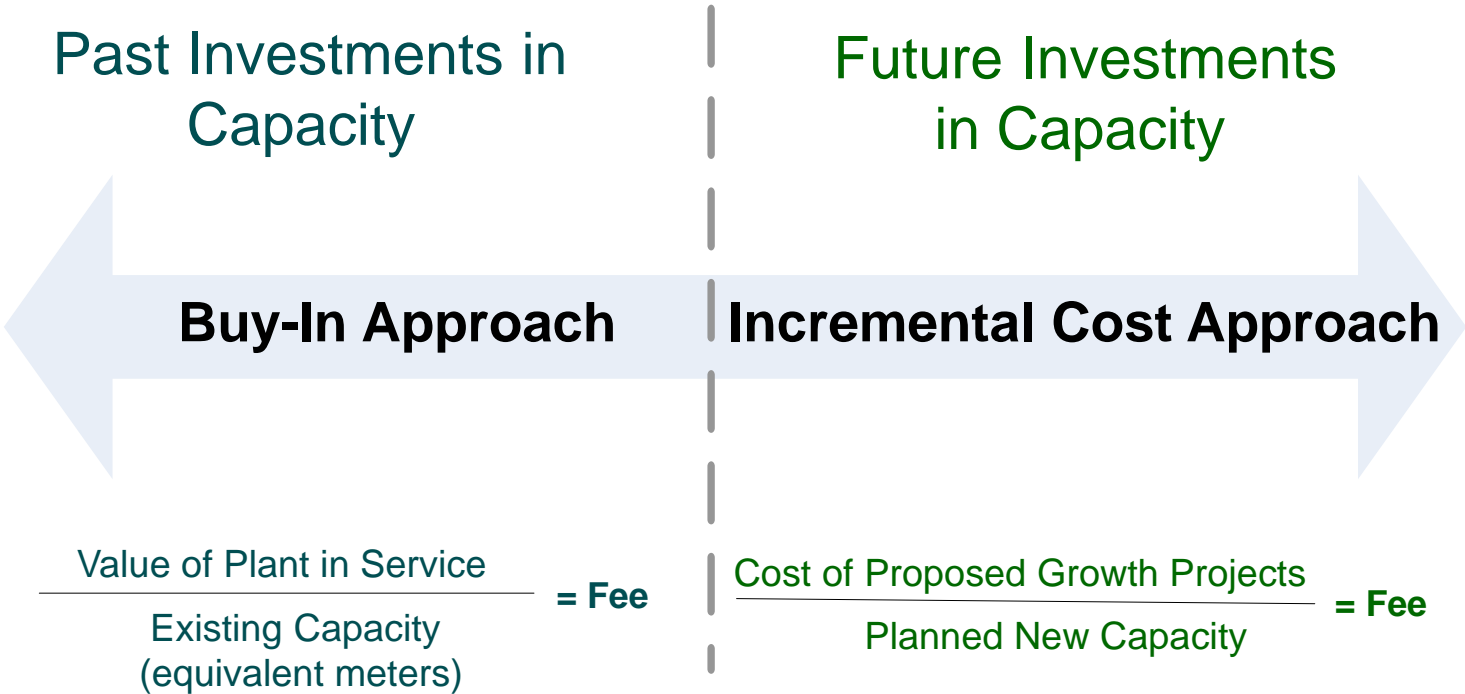
Capacity Charges

- Capacity charges are the one-time fees charged to new development for capacity in the sewer collection and treatment system.
- The current charges were calculated in 2018

Legal Standard

- Section 66013 of the Government Code states that capital facility fees shall not exceed the **estimated reasonable cost** of providing the service for which the charges are imposed.

Common Capacity Charge Approaches



Recommended Methodology

- This Study recommends using the **Incremental approach** to calculate the Capacity Charges.
- The remaining available capacity in the system is very limited and it is reasonable that District decide to keep this small amount of extra capacity as a safety “cushion” against future peak loads.
- The Amended 2015 Master Plan has identified significant expansion-related projects that will need to be built to accommodate growth. The cost of this new capacity is representative of the current cost of capacity in the system

Capacity Charge Components

Local Collection Capacity Charge - For the costs of upsizing local pipes, benefits specific areas

Trunk Capacity Charge – For the cost of upsizing the trunk serving the PARWQCP, benefits all customers

Treatment Plan Capacity Charge – For the cost of purchasing more capacity at the PARWQCP, benefits all customers

Local Collection Unit Costs

Estimated cost of Local Collection System expansion ¹ :	\$22,156,000
Projected interest expense ² :	\$21,082,388
Proposed additional Local Collection System capacity ³ :	1,080,000
Cost recovery percent for fee calculation ⁴ :	70%
Local Collection Unit cost (\$/gpd):	\$28.02

¹ Source: Amended 2015 Sewer Master Plan (total cost less Trunk cost)

² Assumes 5 percent interest and 30 year repayment period

³ Source: Amended 2015 Sewer Master Plan

⁴ District policy based on estimated rehabilitation value of replacing existing pipeline

Trunk Unit Costs

Estimated cost of Trunk expansion ¹ :	\$13,000,000
Projected interest expense ² :	\$12,370,060
Proposed additional Trunk System capacity ³ :	1,080,000
Cost recovery percent for fee calculation ⁴ :	100%
Trunk Unit cost (\$/gpd):	\$23.49

¹ Source: Amended 2015 Sewer Master Plan and email from District staff (Akin Okupe, July 1, 2022)

² Assumes 5 percent interest and 30 year repayment period

³ Source: Amended 2015 Sewer Master Plan

⁴ The Trunk expansion consists of adding a second trunk, which is entirely to serve growth.

Treatment Plant Unit Costs

Cost of Capacity Rights in the PARWQCP: \$5,000,000 Interest Expense: \$4,758,000 Cost recovery percent for fee calculation ² : 100%				
Cost Allocation	<u>Flow</u>	<u>BOD</u>	<u>SS</u>	<u>Total</u>
Cost Allocation (%):	34.0%	33.0%	33.0%	100%
Cost Allocation (\$):	\$3,317,720	\$3,220,140	\$3,220,140	\$9,758,000
Wastewater Strength at PARWQCP ¹ :		250 mg/L	225 mg/L	
EPASD Buildout Capacity at PARWQCP:	1,000,000 gpd	761,518 lbs/year	685,367 lbs/year	
Unit Cost:	\$3.318 per gpd	\$4.229 per lb	\$4.698 per lb	

¹ Source: 2018 Capacity Charge Study and based on historical influent wastewater strength at the wastewater treatment plant.

² The purchase of additional capacity at the treatment plant is entirely to serve new growth.

Proposed Capacity Charge (per EDU)

	Flow	BOD	SS
Equivalent Dwelling Unit (EDU) Loadings ¹	240 gpd	200 mg/l 0.4006 lbs/day	200 mg/l 0.4006 lbs/day
Cost Recovery Components			
Trunk Expansion:	\$23.49	-	-
Local Collection System Expansion:	\$28.02	-	-
PARWQCP Buy-In Cost:	<u>\$3.318</u>	<u>\$4.229</u>	<u>\$4.698</u>
Subtotal:	\$54.83	\$4.229	\$4.698
	per gpd	per lb	per lb
Capacity Charge per EDU			
Trunk Cost Recovery:	\$5,637.79	-	-
Local Collection Cost Recovery:	\$6,725.97		
Treatment Plant Cost Recovery:	<u>\$796.25</u>	<u>\$618.69</u>	<u>\$687.43</u>
Total Cost Recovery:	\$13,160.02	\$618.69	\$687.43
Percent of Total:	89.4%	5.0%	5.6%
	Trunk Capacity Charge (per EDU):		\$5,637
	Local Collection Capacity Charge (per EDU):		\$6,725
	TreatmentPlant Capacity Charge (per EDU):		<u>\$2,102</u>
	Total Capacity Charge (per EDU):		\$14,464

¹ Based on 2018 Capacity Charge study, which used current engineering design estimates and SWRCB standards

Capacity Charges for Other Accounts

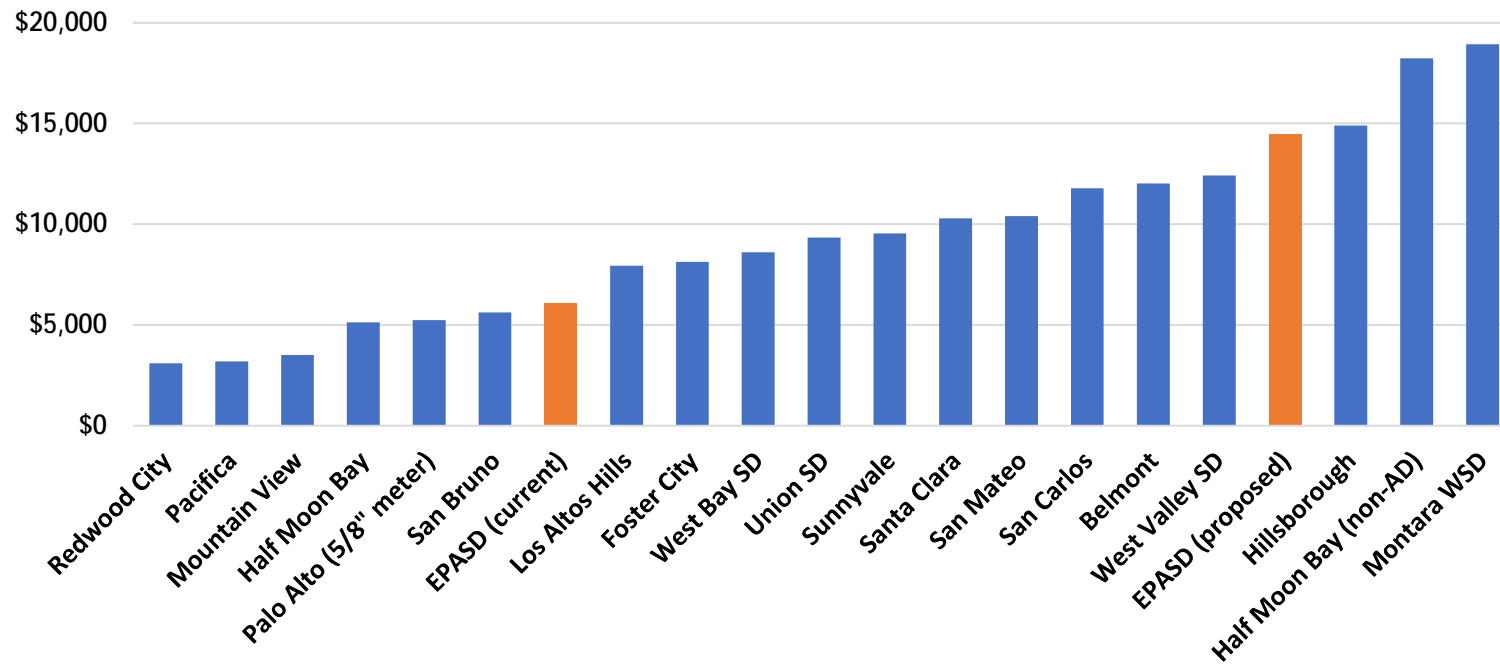
Accessory Dwelling Units (ADUs) - For those ADUs that are eligible to be charged a Capacity Charge (subject to state-level laws), the fee will be \$964 per plumbing fixture

Non-Residential – Non-residential accounts are assigned an EDU value based on the following formula:

$$\text{Number of EDUs} = 0.894 \times \text{Flow} / 240 \text{ gpd} + 0.05 \times \text{BOD} / 200 \text{ mg/l} + 0.056 \times \text{SS} / 200 \text{ mg/l}$$

- gpd = gallons per day
- BOD = biochemical oxygen demand
- SS = suspended solids
- mg/l = milligrams per liter (measure of concentration)

Survey of Regional Capacity Charges for single family homes



Special Circumstances

- There exist some proposed development projects that meet both of the following criteria:
 - ü The development would require a pipeline expansion project that far exceeds the Capacity Charge revenue that the new development would be charged.
 - ü The Local Collection pipeline expansion project serves an area where additional development is uncertain

Developer Financing Policy

- In such situations, it is recommended that the District adopt a policy whereby such developments would be required to pay for 50% of the required local collection pipeline expansion project (with the other half being paid by ratepayers in order to acknowledge the benefit of rehabilitating the existing pipe).
 - The above costs would be paid in-lieu of the Local Collection Capacity Charge. The developer would still be required to pay for the Trunk Capacity Charge and the Treatment Capacity Charge.
 - If and when future development does occur “upstream” of the pipeline project, the developer would receive the Local Collection Capacity Charges paid by the new developers.

Discussion



EAST PALO ALTO SANITARY DISTRICT

BOARD OF DIRECTORS

Bethzabe Yañez, President
 Martha Stryker, Vice President
 Glenda Savage, Secretary
 Joan Sykes-Miessi, Director
 Dennis Scherzer, Director

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Akin Okupe, M.B.A, P.E., General Manager

September 14, 2022

NATURE OF ITEMS

This item is required to discuss options at financing infrastructural upgrades for development projects pursuant to the need of the 2035 General Plan of the City of East Palo Alto.

BACKGROUND

East Palo Alto Sanitary District and the City of East Palo Alto have been discussing ways of funding the needed infrastructure to provide wastewater services that meets the requirements of the 2035 General Plan. A master plan addendum was prepared by consultants that identified the needed upgrade required. According to the master plan addendum, it would cost approximately \$40 million to upgrade the present infrastructure to serve the proposed development as contained in the 2035 General Plan.

STAFF COMMENTS/RECOMMENDATIONS

In view of the need to fund the infrastructural upgrade, staff researched various steps as discussed below:

1. Raising the connection fees: A consultant was hired to calculate a new connection fee that will incorporate the projects identified in the Master Plan Addendum. In pursuant to this, the consultant prepared the attached report. This option will require a rate increase as identified in the rate study report prepared by Alex Handlers of Bartle Wells and Associates.
2. Capital Improvement Plan: A contractor was hired to perform a closed-circuit televised monitoring of the collection system; this project is still ongoing. It is the intention of the District to spend \$18 million of the reserve to repair old mains that are in deplorable conditions. A capital project in excess of \$20 million dollars have been identified so far.

3. Rate study: The rate study report prepared by Bartle wells revealed that the rate would need to go as high as \$1100 to be able to bond the infrastructures needed for development project. This total amount excludes the Capital Projects for existing rate payers.
4. Mello-Roos Tax: This option is still work in progress, a consultant has been hired to come up with a plan for the implementation of this strategy, this is an alternative to the Capacity fees option. It will require coordination with developers and voters' approval.

ACTION OPTIONS

There are no actions needed at this time

NEXT STEPS

The District will be scheduling meetings with developers to identify options of mutual benefits

3. Rate study: The rate study report prepared by Bartle wells revealed that the rate would need to go as high as \$1100 to be able to bond the infrastructures needed for development project. This total amount excludes the Capital Projects for existing rate payers.
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ACTION OPTIONS

There are no actions needed at this time

NEXT STEPS

The District will be scheduling meetings with developers to identify options of mutual benefits



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Kelly Beggs, Consultant Planner
Elena Lee, Planning Manager
Hansom Hom, Deputy Manager, Special Projects

SUBJECT: Woodland Park Euclid Improvements

Recommendation

1. Adopt a resolution:

- **Certifying** that the Final Environmental Impact Report (FEIR) has been done in compliance with the California Environmental Quality Act (CEQA);
- **Adopting** a Mitigation, Monitoring and Reporting Plan pursuant to Public Resources Code 21000 and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000);
- **Adopting** a Statement of Overriding Considerations;
- **Directing** the Community and Economic Development Director to File a Notice of Determination within five working days of adoption pursuant to Section 15075 of the CEQA Guidelines

2. **Adopt** a Resolution approving the General Plan Amendment (GP19-001) establishing the Neighborhood Center Overlay Land Use Designation;

3. **Introduce Ordinances** enacting the Development Code and Zoning Map amendments (ZC19-002) establishing the Neighborhood Center Overlay District;

4. Adopt a resolution:

- **Approving** the Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), and Tentative Parcel Map (TTM19-001) based on the findings, requirements and conditions of approval which are Attachments to the resolutions and incorporated by

reference;

- **Approving** the Relocation Plan dated September 2022; and
- **Authorizing** the City Manager to execute a Notice of Special Restrictions applying the City's Rent Stabilization Ordinance to 160 new/replacement units in a form approved by the City Attorney.

5. **Introduce an Ordinance** approving the Proposed Development Agreement for the Woodland Park Euclid Improvements Project

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 2: Enhance Economic Vitality

Priority No. 4: Improve Public Facilities and Infrastructure

Priority No. 6: Create a Healthy and Safe Community

Background

City Council reviewed the Woodland Park Euclid Improvements project at the September 6, 2022 City Council Meeting. Council received staff's presentation, the applicant's presentation, heard public comment, and deliberated, but ultimately continued the item, including a limited public hearing, to the September 20, 2022 City Council Meeting. The recording of the meeting and staff report and associated attachments can be accessed here:

http://eastpalalto.igmp2.com/Citizens/Detail_Meeting.aspx?ID=1818

The staff report for the September 6, 2022 meeting also is included as Attachment A, and the analysis below supplements that report and responds to unresolved issues and questions from the September 6th meeting.

Analysis

NCO Zoning District

Consistency with the Westside Area Plan and General Plan

Council asked staff how the implementation of the Neighborhood Center Overlay (NCO) District is consistent with the General Plan and the Westside Area Plan. The increased height and intensity of development allowed under the NCO District requires an amendment to the General Plan and accompanying amendments to the Development Code and Zoning Map. However, Westside Area Plan Goal W-5 and other policies acknowledge that increases in height and intensity over existing zoning may be considered for future developments if certain requirements are met. Goal W-5 states, "The long-term development of new buildings and a new street network to improve housing opportunities and improve quality of life. Intent: To establish a long-term process and framework for future development, ***to establish clear prerequisites and parameters for any future increases in density and height on the Westside over what is currently allowed in zoning***, and to ensure that the community's vision for the Westside is maintained in the long term" (emphasis added).

The only mechanism by which a project can increase residential density and associated development standards over existing zoning is the amendment of an existing zoning district, rezoning to a higher intensity zoning district, or rezoning to a new zoning district (unless the applicant uses the State Density Bonus, which limits the City's discretion and allows a certain number of concessions over development standards depending upon the amount of affordable housing provided). Associated amendments to the General Plan and/or General Plan Land Use Map also are required for consistency. Because the Westside Area Plan clearly sets forth a process and requirements for increases in intensity, the amendments to increase intensity are not inconsistent with the Westside Area Plan. The Westside Area Plan does not set forth a maximum allowable increase in intensity over existing zoning and only sets height maximums for certain areas of the Westside (Westside Area Plan Policy 5.14), which do not include the project site.

The Westside Area Plan does require new developments to provide community benefits. For example, Guiding Policy 11, states "Ensure that new development pays its fair share. New development on the Westside should be required to provide community benefits for Westside and East Palo Alto residents via the leveraging of the Westside's assets for the maximum benefit of the community." Policies 5.3 and 5.4 require that developments requesting increases in intensity support the development of new parks, open spaces, infrastructure, and community facilities. The project's community benefit package includes these benefits through provision of a publicly accessible park, inclusion of a community room, and upgrades to City infrastructure including a new water tank, pump house, and storm drain upgrades.

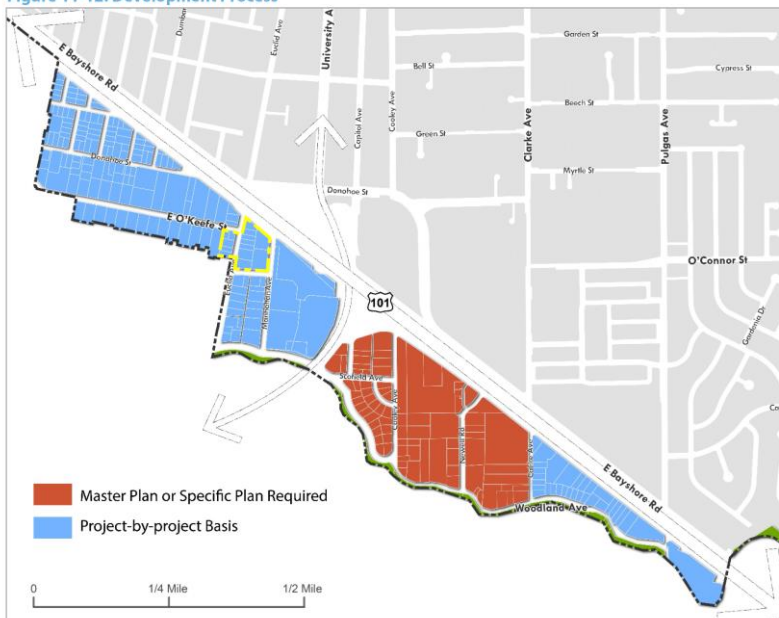
NCO District Applicability and Required Determinations

Council expressed concern about future development projects requesting application of the NCO District. Staff responded by explaining that any future rezoning could only occur through additional legislative actions for Development Code and Zoning Map amendments in addition to other approvals and processes for major development projects, including preliminary applications required by East Palo Alto Municipal Code Chapter 18.82.030, which are reviewed by Council. In addition, in any instance of perceived conflict between the Development Code and the General Plan, the General Plan policies prevail.

To address the concerns about future NCO requests, staff has strengthened the Development Code's integration with the General Plan, including the following changes:

- Staff added language directly stating that the NCO Zone may only be applied to the area designated by General Plan Figure 11-12 as eligible for increases in intensity on a project-by-project basis (shown in blue)
- Staff added language restricting

Figure 11-12: Development Process



the application of the NCO district to parcels that do not adjoin low density or medium density residential zones and parcels that are not located near the San Francisquito Creek.

Additionally, in response to Council's request, staff has strengthened the requirement for income-restricted affordable housing to require consistency with the City's Inclusionary Housing ordinance within the required determinations of the Development Code Amendment.

Development Agreement

Gross Receipts Tax Applicability

Council asked if the Development Agreement would exempt the project from paying a gross receipts tax that is before the electorate in November. Staff determined that if the tax is approved by the voters, the tax will apply to the proposed project. The definition of "Impact Fee" in the Development Agreement explicitly excludes taxes and assessments (Section 4.3.3). The "Freeze Period" in the Development Agreement, which freezes the amount of fees to what is existing when the freeze begins, only applies to Impact Fees.

Preference for Woodland Park Residents at Offsite Affordable Housing Project

Language has been added to Section 4.5.3 of the Development Agreement to include a preference for households which, as a result of the Project, were required or elected to move to alternative housing and which are beneficiaries of the Relocation Plan. If such a household desires to reside in the offsite affordable housing, they would have to meet eligibility requirements for tenancy.

Increase the Affordable Housing Requirement

Council discussed increasing the affordable housing obligation from the alternative compliance proposal of 20% of net new units plus rent stabilized units (89 units, minimum 70 off site new units with additional in-lieu fee payment and 160 rent stabilized units on site) to a 25% net new unit requirement, of which any excess in required over constructed units could be met by an in-lieu fee payment. The objective is to further incentivize the construction of more units in the off-site affordable housing project or provide the City with additional funds for affordable housing development elsewhere. The developer indicated in conversations with staff that the approximately \$5.7 million difference between a 20% and 25% obligation (if met by in-lieu fee payment) would not be financially feasible for the project.

Relocation Plan

Moving Assistance Payments

Council asked if the moving assistance payments would be provided both for move out when a household moves out of an existing unit at Woodland Park and move in when that household returns to their right of return unit. Page 48 and 61 of the Relocation Plan offer the moving assistance options at both move out of existing units and move into a right of return unit.

Relocation Payment Amounts

Council asked how relocation payment amounts would be calculated for members of an extended family that live together in one household. The Ellis Act Ordinance (EPAMC Chapter 14.08) sets forth payment amounts and procedures for relocation payments.

Per EPAMC Section 14.08.060(A)(1), "Each tenant of any residential rental unit who is required to move as a result of the owner's withdrawal of the accommodation from rent or

lease shall be entitled to a relocation payment from the owner. Only adults and emancipated minors occupying the rental unit at the time of service on the tenants of the notice of intent to withdraw the units from rent or lease shall be entitled to a relocation payment.” The Ordinance defines Tenant as a renter, tenant, subtenant, lessee, or sublessee of a rental unit, or successor to a renter's interest, or any group of tenants, subtenants, lessees or sublessees of any rental unit, or any other person entitled to the use or occupancy of such rental unit and includes a former tenant displaced by the withdrawal of an accommodation from rent or lease. Pursuant to Section 14.08.060(A)(1) each adult member of a household would be entitled to a relocation payment regardless of how many adult members of the household reside in the unit, as long as such adult household member is entitled to use and occupy the rental unit. Whether each adult member of a household is entitled to use and occupy the rental unit will depend upon application of the Rent Stabilization Ordinance which provides that it is not a lease violation for certain relatives to move in with a tenant.

Section 14.08.060 (A)(2) provides that certain qualified tenants are entitled to relocation payments. Qualified Tenants include a person less than 18 years of age who is a dependent. Qualified Tenants are entitled to additional modified relocation payments, so children under the age of 18 would be eligible for a relocation payment as a Qualified Tenant. The amount for Qualified Tenants is approximately \$3,300. Other Qualified Tenants are those who are low-income, disabled, elderly and terminally ill, as defined in Section 14.08.030.

Resident Census

Council asked the status of a resident census requested at a previous Council Study Session. Staff updated the table below, which shows prior and current occupancy at the Woodland Park Euclid Improvements Area. This table was presented at the February 15, 2022, City Council meeting. As described by the applicant, after the decision to undertake the proposed project was made, units that became vacant were not marketed for rent again, and thus, occupancy has fallen at the project site since 2017. In response to concerns of displacement from Council, the applicant added a right of return option for eight households who moved away from the Euclid Improvements area between project announcement (December 2018) and the date Woodland Park sent the final, signed relocation commitments to all affected households (October 2019).

Table 1: Woodland Park Euclid Improvements Area Occupancy Statistics

	Total Households	Occupancy %
Occupancy History of Units within Euclid Improvements Area		
2016	150	94%
2017	147	92%
December 2018	115	72%
January 2022 Occupancy Breakdown		
January 2022: Occupied Units within Euclid Improvements Area or within Relocation Apartments	87	54%
within Improvements Area	61	38%
within Relocation Apartment as part of Tenant Requested Move (TRM)	26	--

	Total Households	Occupancy %
Occupancy History of Units within Euclid Improvements Area		
January 2022: Households No Longer Residing within the Euclid Improvements Area or Relocation Apartments	28	--
TRM Households that left Relocation Apartments in 2020	3	--
Households that have left Improvements Area since Dec. 2018	25	--
September 2022 Occupancy Breakdown		
September 2022: Occupied Units within Euclid Improvements Area or within Relocation Apartments	85	53%
within Improvements Area	58	36%
within Relocation Apartment as part of TRM	27	
September 2022: Households No Longer Residing within the Euclid Improvements Area or Relocation Apartments	30	
TRM Households that left Relocation Apartments in 2020	3	
Households that have left Improvements Area since Dec. 2018	27	

Since the February 2022 meeting, two households have left the Euclid Improvements Area, and one household has participated in the optional tenant move program. Eighty-five households are currently eligible for relocation benefits as current tenants, and eight households which left between the date Woodland Park announced the Euclid Improvements (December 2018) and date Woodland Park sent the final, signed relocation commitments to all affected households (October 2019) are eligible for Right of Return units.

The applicant shared tabulated results from a survey that tenants fill out at move-out that provides tenants' reasons for leaving the Euclid Improvements Area. This aggregated data was included in the packet for the February 2022 meeting on the Relocation Plan and is included here as Attachment U. The applicant is only able to share tabulated data because of privacy and confidentiality concerns, especially as information shared with the City is subject to California Public Records Act requests. The aggregated data indicates that of the households that moved out of the Euclid Improvement Area since the applicant acquired the property, the most common reasons for leaving were:

- Relocate City / State (12%)
- Moved to Another Community (12%)
- Job Transfer or Job Loss (12%)
- Bought or rented home/condo (7%)
- Closer to work/school (7%)

All aggregated data is available in Attachment U.

TDM Plan

Council asked staff several questions regarding the Transportation Demand Management (TDM) Plan. In response, staff has worked with the applicant to eliminate the erroneous reference to affordable housing as a TDM measure given that the project's income restricted affordable housing will be located off-site. Council also asked why the developer gets such a high number of points (6.5 points) for unbundling parking. The point amount is set by the Residential TDM Program Guidelines, Exhibit A of the TDM Program Guidelines, adopted by Council on June 1, 2021. Unbundled parking is assigned a high point allotment due to efficacy of the measure. Council is able to require additional TDM measures at its discretion. The applicant also is required to participate in a TMA (if formed) by Condition of Approval 17.

Attachments

- A. September 6, 2022 Staff Report
- B. CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation, Monitoring, and Reporting Program
- C. Draft EIR
- D. Final EIR
- E. General Plan Amendment Resolution
- F. Development Code Amendment Ordinance
- G. Zoning Map Amendment Ordinance
- H. Resolution Approving Project, Required Findings, and Conditions of Approval
- I. Ordinance Approving Development Agreement (with Development Agreement)
- J. Architectural Plans ([click link here](#))
- K. TDM Plan and Parking Demand Analysis
- L. Relocation Plan
- M. Affordable Housing Alternative Compliance Milestones
- N. Fiscal Impact Analysis
- O. Community Impact Report
- P. Community Involvement Strategy
- Q. General Plan Consistency Analysis
- R. Planning Commission Resolution
- S. Planning Commission Meeting Public Comments
- T. City Council Meeting Public Comments
- U. Aggregated Tenant Move Information



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 6, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Kelly Beggs, Consultant Planner
Elena Lee, Planning Manager

SUBJECT: Woodland Park Euclid Improvements

Recommendation

1. Adopt a resolution:

- **Certifying** that the Final Environmental Impact Report (FEIR) has been done in compliance with the California Environmental Quality Act (CEQA);
- **Adopting** a Mitigation, Monitoring and Reporting Plan pursuant to Public Resources Code 21000 and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000);
- **Adopting** a Statement of Overriding Considerations;
- **Directing** the Community and Economic Development Director to File a Notice of Determination within five working days of adoption pursuant to Section 15075 of the CEQA Guidelines

2. Adopt a Resolution approving the General Plan Amendment (GP19-001) establishing the Neighborhood Center Overlay Land Use Designation;

3. Introduce Ordinances enacting the Development Code and Zoning Map amendments (ZC19-002) establishing the Neighborhood Center Overlay District;

4. Adopt a resolution:

- **Approving** the Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), and Tentative Parcel Map (TTM19-001) based on the findings, requirements and conditions of approval which are Attachments to the resolutions and incorporated by reference;
- **Approving** the Relocation Plan dated September 2022; and
- **Authorizing** the City Manager to execute a Notice of Special Restrictions applying the City's Rent Stabilization Ordinance to 160 new/replacement units in a form approved

by the City Attorney.

5. Introduce an Ordinance approving the Proposed Development Agreement for the Woodland Park Euclid Improvements Project

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 2: Enhance Economic Vitality

Priority No. 4: Improve Public Facilities and Infrastructure

Priority No. 6: Create a Healthy and Safe Community

Proposal and Project Detail

The Applicant is seeking City approval of the following Project, as described in Table 1:

TABLE 1: PROJECT DATA	
Project Element	Detail/Description
Applicant / Owner	Woodland Park Communities/Sand Hill Property Company (“Applicant,” “Developer”)
Location	2001 Manhattan Avenue and 375 Donahoe Street (“Site,” “Property”)
Assessor’s Parcel Numbers (APN)	Mixed-Use Development Site: Avenue/063-281-020, -030, -040, -100, -110; 063-282-010, -020, -030, -040, -050, -060, -070, -080 and -090 Water Tank Site: 375 Donahoe Street/ 063-148-110, -120, -130
Size of Site	3.92 acres
Existing Use	Multi-family residential
General Plan Designation	High Density Residential and Urban Residential
Existing Zoning	R-HD-5; R-UHD
Surrounding Zoning	C-O, R-HD-5, C-N and R-UHD
Special Designation	None
Requested Entitlements	<ul style="list-style-type: none"> • General Plan Amendment • Development Code and Zoning Map Amendment • Design Review Permit • Conditional Use Permit for Demolition of Affordable Units • Certification of an Environmental Impact Report • Adoption of CEQA Findings and Statement of Overriding Considerations • Tentative Map • Development Agreement
Number of Stories / Height	Bldg. 1: 9 – 13 stories/ 88-135 feet Bldg. 2: 13 stories/ 135 feet Bldg. 3: 5 stories/ 55 feet
Residential Units	605 units
Number of Parking Spaces	625 spaces
Number of Bicycle Parking Spaces	324 long-term; 45 short-term
Developer Seeking Deviations from	Yes, increases in height and residential density;

TABLE 1: PROJECT DATA

Project Element	Detail/Description
Existing Requirements?	decreases in setbacks and required off-street parking

Background

In January 2019, Woodland Park Communities/Sand Hill Property Company (“Applicant”) submitted a Planning pre-application for the Project. Following the pre-application review process, the Applicant formally submitted a Planning application in September 2019. Since 2020, the City Council and Planning Commission have held multiple Study Sessions regarding different aspects of the Project (e.g. infrastructure, affordable housing, urban design), as described below:

- May 6, 2019: Planning Commission Pre-application Study Session
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1227
- February 25, 2020: City Council Study Session
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1068
- September 10, 2020: City Council Study Session on Inclusionary Housing Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1316
- October 6, 2020: City Council Study Session on Inclusionary Housing Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1284
- November 19, 2020: City Council Study Session on Infrastructure
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1340
- February 23, 2021: City Council Study Session on Inclusionary Housing Plan and Fiscal Impact Report
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1357
- June 22, 2021: City Council Study Session on Inclusionary Housing Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1403
- July 26, 2021: Planning Commission Draft EIR Public Hearing
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1369
- October 5, 2021: City Council Study Session on Inclusionary Housing Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1427
- November 30, 2021: City Council Study Session on Tenant Relocation Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1458
- February 15, 2022: City Council Study Session on Tenant Relocation Plan
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1488
- June 27, 2022: Planning Commission Policy and Action Discussion
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1832
- July 25, 2022: Planning Commission Public Hearing on Project
http://eastpaloalto.iqm2.com/Citizens/Detail_Meeting.aspx?ID=1855

The project details, including the Draft EIR (DEIR), Final EIR (FEIR), and Fiscal Impact Analysis are available at the project website:

<https://www.cityofepa.org/planning/project/woodland-park-euclid-improvements-general-plan-amendment-zoning-amendment-and>

Pursuant to East Palo Alto Municipal Code (EPAMC) Section 18.82.020, the Planning Commission made a recommendation to City Council for certification of the FEIR and

approval of the legislative actions for the project, consisting of General Plan Amendment, Development Code Text/Zoning Map Amendments, and Development Agreement. According to EPAMC Section 18.86.060, if an application usually subject to determination by the Planning Commission is filed concurrently with a discretionary land use application that requires Council approval, the decision over all entitlements is made by the higher authority, the City Council. Therefore, the City Council is also the approval authority for the Design Review, Conditional Use Permit, and Tentative Map applications for the project.

Planning Commission and City Council authority over this project's various aspects is shown below.

TABLE 2: Authority over Entitlement Approval	Planning Commission	City Council
Quasi-Judicial Permits and Actions		
Conditional Use Permit	Recommend	Decide
Design Review	Recommend	Decide
EIR	Recommend	Certify
CEQA Findings and Statement of Overriding Consideration	Recommend	Adopt
Tentative Map	Recommend	Decide
Legislative Actions		
Development Agreement	Recommend	Decide
Development Code Text/Zoning Map Amendment	Recommend	Decide
General Plan Text/Map Amendments	Recommend	Decide
Plans and Reports		
Tenant Relocation Plan (WSAP Policy 5.5 and 5.10)	Informational	Decide
Community Impact Report (WSAP Policy 5.5)	Informational	Decide
Fiscal Impact Analysis	Informational	Informational

Existing Conditions

The subject properties consist of 15 buildings with a total of 161 existing residential units. The majority of the existing buildings are approximately 50 years old, with a few structures that are up to 100 years old. Existing structures range from one to four stories in height and have a simple architectural style. The buildings are part of the larger Woodland Park community, which consists of mostly of multiple-family residential uses in an established residential neighborhood. Surrounding land uses are also primarily residential, with some local serving neighborhood commercial, as described in Table 3 below. The Four Seasons Hotel/University Circle complex, a mix of office and hotel uses, is located immediately to the southeast.

TABLE 3: Existing Uses Surrounding the Project Site			
Direction	General Plan Designation	Zoning District	Existing Use
North	High Density Residential	R-HD-5	2- and 3- story multiple-family residential US 101
South	High Density Residential	R-HD-5	2-story multiple-family residential

TABLE 3: Existing Uses Surrounding the Project Site

Direction	General Plan Designation	Zoning District	Existing Use
	Neighborhood Commercial	C-N	Laundromat, Grocery store
East	Office	C-O	Four Seasons Hotel University Circle Office Complex
West	High Density Residential	R-HD-5	3-story multiple-family residential
	Urban Residential	R-UHD	2-story multiple-family residential

Project Description

Proposed Buildings

As proposed, the project would merge 14 individual parcels into two parcels on both sides of Euclid Avenue. The existing individual buildings on these parcels would be demolished and three new buildings would be constructed, as shown in the figure below.



The project would be divided into two main sections on both sides of Euclid Avenue. The south side of Euclid would contain most of the development, including residential structures with a lobby/common area, central parking garage, community space/neighborhood serving retail and open space/park area.

Attachment: September 6, 2022 Staff Report (2406 : Woodland Park Euclid Improvements)

Building 1 ranges in height from nine levels with a height of approximately 85 feet to 13 levels with a height of 120 feet to roof level (130 feet to parapet). This building wraps around the central parking garage on three sides and includes ground floor retail and community function space along the O'Connor Street frontage. Building 1 connects to Building 2 with elevated walkways at Levels 3 through 9. Building 2 is 13 levels in height and approximately 120 feet at the roof level and 135 feet to top of parapet. North of Euclid Avenue is Building 3, a single residential building with a lobby area and community garden space. This building is five levels and approximately 55 feet in height.

Access, Circulation and Parking

The project would maintain the local circulation network without altering existing routes or traffic flow. A 625-space central parking garage would be located in the center of the project with main garage access off Manhattan Avenue, resulting in fewer driveway access points along local roads. 52 on-street parking spaces would be provided on Manhattan and Euclid avenues to optimize and increase street parking. Drop off zones are provided near building entrances. Pedestrian access would be provided through common plaza areas and perimeter sidewalks enhanced with landscaping.

Existing sidewalks would be maintained on both sides of the street and additional improvements would be constructed to improve pedestrian facilities adjacent to the project. These improvements include constructing high visibility crosswalks along Euclid Avenue at O'Connor Street and O'Keefe Street and bulb-outs for the north leg of the intersection of Euclid Avenue and O'Connor Street. The project would provide a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. The project would also include bicycle parking for residents, employees, and customers.

Landscaping, Open Space, and Tree Protection and Removal

The project is proposing a combination of Common Open Space, Private Open Space and Publicly Accessible Open Space. Common Open Space is shared area for the use of residents and guests, while Private Open Space includes enclosed areas adjoining individual units reserved for the exclusive private use of residents (such as balconies, decks, porches, etc.). The project will provide 13,807 square feet of private open space and 47,233 square feet of common open space. In addition, a 9,300 square-foot park would be located at the southwest corner of the project site, which would be publicly accessible, but owned, operated, and maintained by the applicant. The applicant will dedicate a public access easement over the park to the City or enter into a license agreement to provide public access.

Landscaping within the site plan and along perimeter streets would consist of trees, groundcovers, perennials, and shrubs. Tree species include white ash, marina strawberry, blue oak, red push pistache, kindred spirit oak and ironwood. 40 existing trees would be preserved on the project site, and 26 trees are proposed for removal, 21 of which are protected. Protected trees proposed for removal fall within proposed building footprint and infrastructure improvement areas. 42 new trees are proposed to be planted as part of the project's landscaping plan. New trees would be 24" box size

specimens.

Tree removal was analyzed in the Environmental Impact Report. The threshold for protected trees and replacement tree standards would remain the same under the City's new Tree Protection Ordinance, which takes effect October 1, 2022.

Water Storage Tank

The City has sufficient water supply to serve the project, however, a 1.5-million-gallon steel water storage tank located at 375 Donohoe Street would be constructed concurrent with the project to improve fire flow and pressure to the project, as well as the extended City system. The tank and related infrastructure and points of connection would be funded and constructed by the applicant. This tank and related pump infrastructure would tie into the existing water system to service the project and improve water system performance City-wide as a public benefit. Connections for service to the project currently exist within public rights of way and would be upgraded as necessary to service the project's demands. Several new points of connection will be required to existing infrastructure in Euclid Avenue, Manhattan Avenue, O'Connor Street and West Bayshore Road. Construction would include installation of a 14-inch water main from the tank site, continuing within Donohoe Street and West Bayshore Road, ultimately connecting to upsized 12-inch mains that surround the project site. The project would install 1,090 linear feet of new or upsized 14-inch pipe, and 1,700 feet of upsized 12-inch pipe.

Applicant Community Outreach Meetings

The applicant implemented a robust community outreach plan, including a website and newsletter to regularly communicate with residents and the public. The applicant held 32 community meetings, information booths, and small group listening sessions prior to submittal of the proposed project application as well as five additional community meetings and information sessions following application submission. The applicant also has a community newsletter and a separate project website (nodisplacement.com) which allows the community to view project updates, including a video update shared during the pandemic and a recorded Zoom community meeting, and the project team's contact information for comments, questions, and suggestions. Community feedback focused on displacement prevention, relocation, housing stability, parking/mobility, safety, community change, neighborhood beautification, project amenities, public open space, and street design.

June 27, 2022 Planning Commission Policy and Action Meeting

Staff gave a presentation on the Project as a Policy and Action Item at the June 27, 2022 Planning Commission Meeting to provide the Commission with a preview of the project and learn what information would be helpful to Commissioners moving towards a decision-making meeting. The Commission discussed the following topics:

- **Water Tank.** The Commission asked the Applicant and staff to post public notice signage at the water tank site and to provide more information and graphics depicting the 1.5-million-gallon tank. The Applicant posted signage at the site for subsequent meetings. Updated site plans and renderings are included with the revised plans. Notices were mailed to all residents and property owners within 600 feet of the water tank site for subsequent meetings. Staff clarified at the meeting that the water tank will not connect to the aquifer. The tank would be 90 feet in diameter and would be 32 feet in height. Mitigation Measure AES-2.2 requires landscape screening of the water tank

with native, taller species or trees to provide a visually appealing screen as viewed from the roadway and surrounding land uses after construction, as well as construction screening.

- **Relocation Benefits.** The Commission asked who was eligible for relocation benefits and what would occur if a tenant with a growing family needed a larger unit.
 - **Eligibility.** Three groups of tenants are eligible to move into a right of return unit after the Project has been constructed:
 - Existing tenants who have participated in the Applicant's early move program. These tenants have chosen to move out of the Euclid Improvements area early to other units in the Woodland Park Community.
 - Existing tenants who have not moved out of the Euclid Improvements area.
 - Tenants who moved out of the Euclid Improvements area between the date Woodland Park announced the Euclid Improvements (December 2018) and date Woodland Park sent the final, signed relocation commitments to all affected households (October 2019). There are 8 households in this situation, and the extension of the right of return apartment to those households has been made in response to Council's requests and to protect against the possibility that a household that vacated due to incomplete information would be prevented from long-term residency in East Palo Alto.
 - **Unit size.** Units are required to be comparable in size in terms of square footage and in the number of bedrooms. While the applicant indicated a willingness to work with tenants if a larger unit was needed, those units would not be guaranteed at a below-market rent.
- **Height and intensity of proposed development.** The Commission discussed the buildings' height and intensity and its impact on the existing neighborhood character. The Applicant responded noting that the taller buildings are intentionally located closer to US 101 and the University Circle campus and that the tallest building is equal in height to the Four Seasons Hotel. The smaller five-story building is located to provide a transition in height down to the surrounding residential area.

July 25, 2022 Planning Commission Public Hearing

The Planning Commission adopted a resolution (Attachment R) recommending approval of the project and its entitlements at the July 25, 2022, Public Hearing (Ayes: 4; Noes: 2; Absent: 1; Abstain: 1). The Commission discussed the following topics:

- **Parking and Traffic.** The Commission discussed parking and traffic as major areas of concern. The Applicant's Transportation Demand Management (TDM) Plan will be subject to Condition of Approval 29, which requires approval prior to building permit issuance. As described below, the Applicant's TDM Plan includes reduced parking as a TDM measure (1.1 spaces per residential unit), and the Applicant's parking study showed that the proposed parking supply will meet residential parking demand even before implementation of other TDM measures. In addition, the project will make a fair share contribution to intersection improvements that would improve the intersection operations to an acceptable Level of Service (LOS) function or otherwise improve pre-project conditions. The Commission was also concerned about the potential loss of on-street parking. The commission also discussed a permit parking program to better regulate street parking.
- **Construction Impacts.** The Commission discussed construction impacts to the

neighborhood, especially focusing on air quality and asthma, as well as other public health outcomes. The project's operational and construction impacts on Air Quality were analyzed under the project's EIR and were found to be less than significant with mitigation. The project's Mitigation, Monitoring, and Reporting Program includes measures and conditions of approval requiring management of construction dust, construction equipment requirements to lessen air pollution, and noise control measures. These measures have been included as Conditions of Approval.

Public comments were made at the hearing regarding the following topics:

- Water tank information availability and safety
- Parking issues in neighborhood
- Support for additional housing with expansion of rent controlled units and income-restricted affordable units
- Support for project's transportation and climate benefits and lower parking ratio than County average
- Ensuring strong labor standards and apprenticeships
- Tenant comments supporting project approval due to new/improved housing units, employment for the community, and aesthetic improvements

Written public comments submitted prior to or during the Planning Commission meeting are included as Attachment Q.

Analysis

General Plan and Development Code Amendments

The project includes an amendment to the Development Code and General Plan to create a Neighborhood Center Overlay (NCO) designation to increase density and building heights beyond the currently allowed standards in the High Density Residential (HDR) and Urban Residential (UR) land use designations for the Project site. Amendments to the Development Code and General Plan are provided in full in Attachments D and E. The NCO Zone would be available to projects in the Westside Area on a project-by-project basis. Any application for a zone change requires approval by City Council and consistency with the Westside Area Plan prerequisites and policies described below.

The NCO designation would support development of higher density housing and encourage mid-rise and high-rise residential development with neighborhood-serving commercial and community uses at the ground floor. Permitted uses would be the same as those in the R-HD and R-UHD zoning districts, with the addition of neighborhood service uses at the ground floor as a permitted use rather than a conditionally permitted use.

Table 4 provides a comparison of the existing zoning districts to the proposed overlay zone, as well as the proposed project's development standards.

TABLE 4: Existing and Proposed Zoning Comparison					
Development Standard	R-HD-5	R-UHD	Applicant's Proposed NCO Zone	Proposed Project	Staff Recommended Changes to NCO Zone
Maximum Density	44 du/acre	86 du/acre	180 du/acre	175 du/acre	175 du/acre

TABLE 4: Existing and Proposed Zoning Comparison

Development Standard	R-HD-5	R-UHD	Applicant's Proposed NCO Zone	Proposed Project	Staff Recommended Changes to NCO Zone
Setbacks					
Front	15 feet	20 feet	5 feet	9-12 feet	
Side/Street Side	10 feet/15 feet	10 feet/15 feet	5 feet	10-85 feet	
Rear	20 feet	20 feet	5 feet	10-20 feet	10 feet
Rear Adjoining R-LD or R-MD Zone				N/A (Does not adjoin R-LD or R-MD)	20 feet
Height	5 stories or 50 feet, whichever is greater	7 stories or 75 feet, whichever is greater	15 stories or 135 feet, whichever is greater	Bldg. 1: 9-13 stories/ 88-130 feet Bldg. 2: 13 stories/ 135 feet Bldg. 3: 5 stories/ 55 feet	13 stories or 140 feet, whichever is greater
Common/Private Open Space	150 sf/unit	100 sf/unit	100 sf/unit	100 sf/unit	
Parking	1 space per studio unit 1.5 spaces per 1-bedroom unit 1.8 spaces per 2-bedroom unit 2 spaces per 3 to 4-bedroom unit		1 space per unit	1 space per unit	Per Chapter 18.30 unless modified by a TDM plan, as set forth in Section 18.30.100, or Conditional Use Permit

As shown in the last column of Table 4 above, staff made several modifications to the applicant's proposed amendments within the General Plan and Development Code Amendments to reduce intensity and increase context-sensitivity for future development applications seeking the NCO Zone. Those changes include:

- Reducing the maximum residential density from 180 dwelling units per acre to 175 dwelling units per acre;
- Increasing the rear setback to 10 feet;
- Adding an increased rear setback requirement of 20 feet for projects with rear yards adjacent to residential low density or medium density zones;
- Reducing the height limit as measured in stories from 15 to 13 stories; and
- Requiring that future projects either comply with the Development Code's existing off-street parking requirements or request parking reductions through TDM Plan modifications to requirements or through Conditional Use Permits.

Even with those changes, the proposed NCO Zone would increase intensity of development on the project site compared to existing regulations. The Westside Area

Plan sets forth a process and requirements for projects that request increases in intensity above existing general plan and zoning regulations, as described below.

Westside Area Plan Consistency with Policies for Increasing Intensity

The Westside Area Plan (WSAP) provides prerequisites and a process for new developments that increase intensity over allowed zoning in Policies 5.2-5.5. Further general plan consistency analysis is included in Attachment P.

WSAP Policy 5.2

WSAP Policy 5.2 states development projects proposing increases in intensity “must undergo a rigorous public process and meet the anti-displacement goals of this Chapter and all other applicable City policies and regulations.” The project has undergone a rigorous public process to date with over 12 public meetings, in addition to applicant-led community outreach prior to entitlement hearings. The tenant relocation plan and right of return for existing tenants meet the WSAP’s anti-displacement goals.

WSAP Policy 5.3

WSAP Policy 5.3 sets forth the following prerequisites:

- **Prevents displacement of existing residents.**
The project would provide right of return units as well as temporary units for all existing residents at consistent sizes and rents. The applicant will provide an anti-displacement incentive in the form of a rent rebate for all tenants who move into their right of return units.
- **Provides for some income-restricted affordable housing.**
The project would provide income-restricted affordable housing for households earning 35 to 60 percent of area median income (AMI) at an offsite location and provide an in-lieu fee payment for any units constructed less than 89 units.
- **Preserves “right of return” for existing residents.**
The project would preserve right of return for existing residents consistent with the requirements of the Westside Area Plan.
- **Maintains the City’s rent stabilization program.**
The project would construct 160 rent-controlled units, replacing demolished rent-controlled units on a one-for-one basis. (There are 161 units proposed for demolition on the project site, one of which is a single-family home not subject to rent control.)
- **Includes new parks and open spaces or contributes to the provision of new parks and open spaces if it is a single project.**
The project includes a new publicly accessible 9,300-square foot park.
- **Improves streets and infrastructure or contributes to the provision of new streets and infrastructure if it is a single project.**
The project includes a water tank to improve fire flow and pressure to the project as well as the extended City system. The final details, materials, and design of the tank would be subject to future approval by the City. Street landscaping improvements and bus shelter improvements also are included.
- **Improves the fiscal health of the City.**
A fiscal impact analysis showed the project would have a positive net impact on the City of East Palo Alto’s General Fund, resulting in an estimated \$1,109,000 in annual General Fund revenues in excess of the estimated annual General Fund expenditures.
- **Beautifies the area.**

The project would add street trees, renovate streets to add additional parking spaces, replace aging structures with new high-quality buildings, and add parks and open space, consistent with the Westside Area Plan.

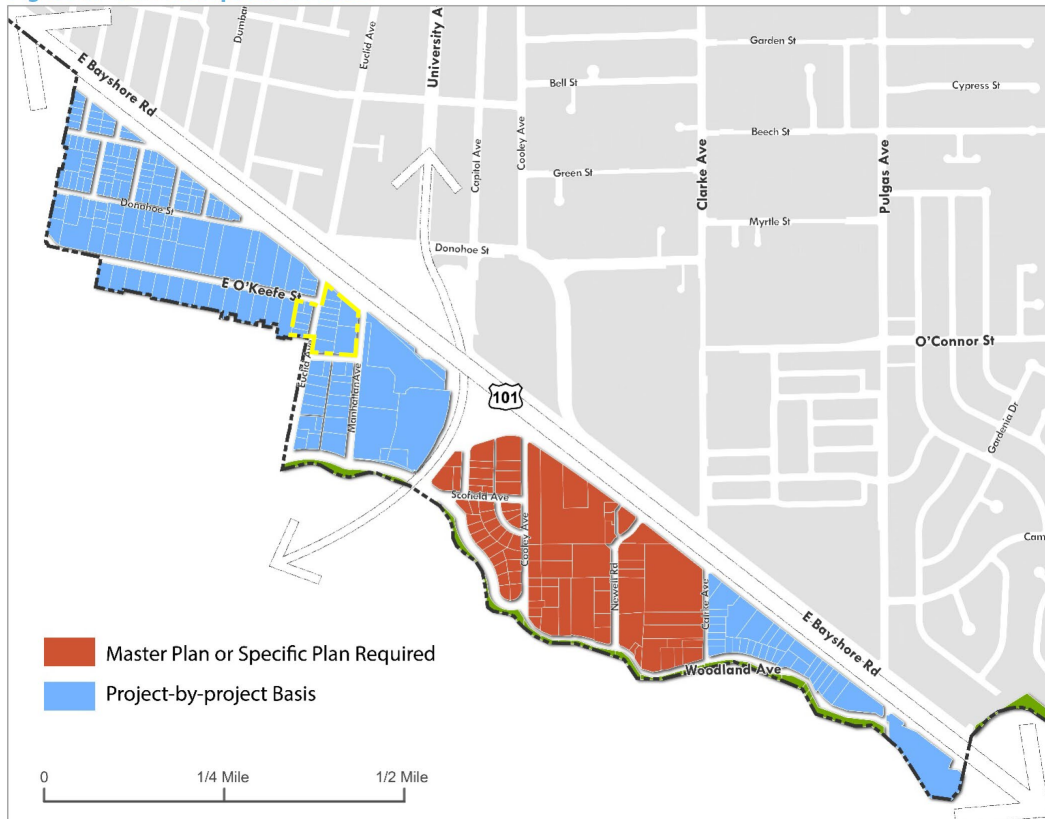
WSAP Policy 5.4

WSAP Policy 5.4 Sets forth the development process for increased intensities as follows:

- **For areas on the north side of University Avenue or south of Clark Avenue to San Francisquito Creek, proposed increases in intensity over the currently allowed zoning intensity may be approved on a project-by-project basis. These projects shall be required to meet the policies set forth in this document in addition to any other city policies and shall be required to enter into a development agreement and/or pay fees to support the development of new parks, open spaces, infrastructure and community facilities necessary to support a higher level of development on the Westside.**

The project is located on the north side of University Avenue and is in the “project-by-project” basis category, as listed on WSAP Figure 11-12 below. The proposed NCO zoning district would be applied for on a project-by-project basis, and any new development seeking to apply this zone to a site would be required to meet the requirements of the Westside Area Plan and other City policies and receive City Council approval. An analysis of the project’s consistency with the General Plan is presented in Attachment P.

Figure 11-12: Development Process



WSAP Policy 5.5

WSAP Policy 5.5 sets forth the following application requirements for projects requesting increased intensities. These requirements have also been incorporated into the proposed

Development Code Amendment as required findings in the NCO Zone:

- **Proposed general plan and zoning for each parcel, including uses, building heights, and maximum development intensities.**
 The general plan designation and zoning for each parcel would be the current designation or district with the NCO suffix to indicate the NCO overlay zone which has a maximum building height of 13 stories or 140 feet.
- **Development program that identifies parcel-by-parcel information on existing and proposed uses.**
 Sheet A100 of the project plans (Attachment I) includes parcel by parcel information on existing uses and sheet A101 identifies proposed uses.
- **Affordable housing plan, including the amount, levels of affordability and location of each housing unit.**
 The project's affordable housing plan is included in Section 4.5 of the Development Agreement. The project will meet the City's Inclusionary Housing ordinance through provision off-site affordable housing and alternative compliance, as described below, and 160 units will be rent controlled at the project site.
- **Relocation plan for existing tenants that incorporates policies 5.10, 5.11, and 5.12 of this chapter.**
 The project includes a tenant relocation plan that addresses policies 5.10, 5.11, and 5.12 of the Westside Area Plan by providing existing tenants with the right of return to a unit of the same size and affordability, providing temporary housing, and providing moving and relocation services at no cost to the tenant. The application also includes a housing and neighborhood amenities, consistent with policy 5.12.
- **Fiscal impact analysis for the City**
 The fiscal impact analysis is included in Attachment M and described below.
- **Description and analysis of how the City's rent stabilization program may be continued in the future, including sources of funding.**
 The Rent Stabilization Program is funded by annual registration fees paid on a per-unit basis on each rent-stabilized unit in the City. The project would replace every rent-controlled unit on a one-for-one basis to ensure the ongoing viability of the Rent Stabilization Program and sustain the Rent Stabilization Program's funding at its existing level. By maintaining the scope of the program and its funding source, the Euclid Improvements proposal would help sustain the program.
- **Park and open space plan, including the number, acres and locations of new parks and open spaces (or contribution to parks and open spaces for single-parcel projects).**
 The project will provide a new 9,300 square foot publicly accessible park.
- **A water supply assessment with guarantees of long-term water availability and new sources of water.**
 The applicant provided a water supply assessment, and long-term water availability was also evaluated in the Environmental Impact Report. The EIR found that the project would have sufficient supplies through all water years. The off-site water tank would improve water system storage and fire flow.
- **Infrastructure improvement plan, including detailed information on all infrastructure and utilities (or contribution to Westside infrastructure improvements).**
 The project includes upgrades to storm drain lines, a new 1.5-million-gallon water tank, streetscape, sidewalks, and bike and pedestrian infrastructure. Plan sheets C.2 and C.4 include details on these improvements.

- **Street network plan, including proposed street cross sections.**
No new streets are proposed as part of the project.
- **Community Impact Report that details how the project applicant will satisfy the prerequisites for increases in intensity or change in use in Policy 5.3.**
The applicant's community impact report is included as Attachment N. As described above, the project meets the prerequisites for increases in intensity or changes in use.
- **Community involvement strategy.**
The applicant's community involvement strategy is included as Attachment O and includes bilingual community engagement around relocation commitments and project design since 2017.
- **Any additional information and level of detail requested by the City to ensure that the proposed project meets the vision of the community.**

Site Design and Architectural Standards

The project has been designed to comply with the proposed NCO development standards as well as with the existing Site Design and Architectural Standards for Multiple-Family Residential Zones, set forth by EPAMC Section 18.10.040(D), as described below. Please see Attachment I for a copy of the architectural drawings submitted for the Project.

The main entries to the multiple-family development are clearly delineated and identifiable and are easily accessible for pedestrians from the public street. Individual entries to townhouse units are accessible from the street or enclosed corridors are provided for units on upper levels. Parking is consolidated into one garage to minimize driveways conflicting with pedestrian circulation and optimize on street parking. The building is designed to wrap the parking garage, which minimizes the visual impact of the project's parking area. Driveways and drive aisles meet or exceed the minimum width required by EPAMC Section 18.30.090, and circulation is provided for both vehicles and pedestrians throughout the site. The Project also provides a combination of private and common usable open space.

The greater height and density of the development is oriented towards the University Circle Complex and US 101, with the smaller scale Building 3 transitioning into the neighborhood's existing development. The architectural design features contrasts in building sizes and shapes. The taller high-rise structures of Building 2 have a more modern appearance with smoother textures, more steel and glass, cement board, lighter colors, and more vertical design elements. The lower-height residential buildings incorporate warmer, darker colors and richer textures including textured concrete with vine cover, vertical wood siding, brick veneers and painted perforated metal screening. The facades are articulated, with recesses for courtyards, and blank walls are avoided along public rights-of-way. The roof design is compatible with the building's modern style, and roof-mounted mechanical equipment is screened from view from public rights-of-way and adjacent properties by materials architecturally compatible with the structure they serve.

The landscaping plans include planting 42 24-inch box replacement trees and complete re-landscaping of the project site's frontage on Manhattan Avenue, Euclid Avenue, O'Connor Street, and West Bayshore Road.

Tentative Parcel Map

The application for the proposed project includes a Tentative Parcel Map, which would merge the nine parcels on the east side of Euclid Avenue into one parcel and the five parcels on the west side of Euclid Avenue into a second parcel. The Tentative Parcel Map would dedicate additional right of way to the City that was previously under private ownership, since under current conditions parcel lines for some parcels extent to street centerlines along O'Connor Street and Euclid Avenue.

Parking Analysis

Per EPAMC Section 18.30.100, off-street parking requirements can be modified by a project's TDM Plan. The applicant provided an analysis of parking demand with the TDM plan (Attachment J), which found the amount of parking provided (625 spaces) exceeds parking demand (592 spaces) from the residential portion of the proposed project and the non-residential parking demand would be satisfied by on-street parking. The City's consultant has peer reviewed and verified this study.

Utility Service and Improvements

Fire Water Pressure

As described above, the project includes the construction of a 1.5-million-gallon water tank and pump station to serve both the project site and to improve water system performance City-wide as a public benefit. As shown on Sheet WT-001 of Attachment I, the water tank would be approximately 90 feet in diameter and 32 feet in height. As required by Mitigation Measure AES-2.2, the tank is required to be screened both during construction and operation. The operational screening must be a combination of fencing and vegetation to soften and screen the appearance of the water tank and related improvements, with native, taller species or trees to provide a visually appealing screen as viewed from the roadway and surrounding land uses. The final tank design, materials, and landscape screening will be subject to future approval by the City and Menlo Park Fire as set forth in Conditions of Approval 25 and 69.

Sanitary Sewer

The East Palo Alto Sanitary District (EPASD) stated the sanitary sewer conveyance system (e.g., sanitary sewer pipes and pump stations) downstream of the project site does not have capacity to handle flows from additional development. The applicant will be required to obtain all required permits including a Will Serve letter from the EPASD prior to the issuance of a building permit. As described below, EIR Mitigation Measure UTIL-3.1 requires that the project make a fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand.

Affordable Housing and Tenant Relocation Benefits

Affordable Housing

The project will provide both 160 on-site rent-controlled units, as well as up to 89 off-site income restricted units to comply with the City's Inclusionary Housing Ordinance through alternative compliance, as described by EPAMC Section 18.37.080. For alternative compliance options, the inclusionary housing requirement is increased from 20% to 25% of net new units (111.25 units for this project). However, section 18.37.080(D) states that a developer may propose a different alternative compliance option, which the approval body may approve *if the alternative compliance will provide greater public benefit than would provision of the inclusionary units on-site*. The Development Agreement Ordinance (Attachment H) includes this required finding, which can be made due to the preservation of on-site rent-controlled units

and the provision of off-site income-restricted units.

The applicant's proposal includes construction of 70 to 89 affordable housing units (89 units is 20% of the 444 net new units) by an affordable housing developer at an off-site location. The Applicant will donate the land for the Off-Site Affordable Units to an affordable housing developer and provide gap financing. A per unit in-lieu fee payment would be made to the City if less than 89 affordable housing units are constructed at the off-site location. The project would replace the site's existing rent-controlled units on a one-for-one basis, including a total of 160 rent-controlled units in the proposed project. Some of the rent-controlled units would serve as right of return units for existing tenants (see discussion below).

The Applicant proposes the combination of rent-controlled units on site, which would provide housing security for new and existing tenants, in addition to off-site affordable units to meet the required finding of achieving a greater public benefit than on-site inclusionary housing, as described by EPAMC 18.27.080. The Development Agreement (see Section 4.5) includes both the Affordable Housing Plan and the Inclusionary Housing Plan.

Tenant Relocation Plan

The Applicant's Relocation Plan was reviewed by City Council at its November 30, 2021, and February 15, 2022, meetings; it was revised according to City Council feedback. The resolution approving the project (Attachment G) includes Council approval of the Relocation Plan.

Per the Applicant's Plan (Attachment K), all current tenants will have three options:

1. **Remain at Woodland Park in a Temporary Apartment with Right of Return.** The applicant will provide another unit in the neighborhood for the tenant, and the tenant will have the right to return to a newly constructed unit at the project site.
2. **Move Elsewhere with Right of Return.** The tenant may find temporary housing independently and retain the right to return to a newly constructed unit at the project site.
3. **Move Elsewhere, Waive Right of Return, and Receive Relocation Payment.** The tenant can choose to waive the right of return and receive a relocation payment. Tenants who select this option will still have access to the moving assistance options described below.

Rent levels, off-street parking spaces, and number of bedrooms would be consistent among Existing Apartments, Temporary Apartments, and Right of Return Apartments provided by the applicant.¹ Temporary Apartments would be located within one mile of Existing Apartments.

Tenants will have three choices regarding moving options:

1. Woodland Park will pay for and arrange moves within East Palo Alto. The services of a licensed mover will be provided at no cost. The licensed mover will be insured and will use its own boxes to pack and move all of the tenant's belongings.
2. Tenant can arrange for and pay a mover. Woodland Park will reimburse the tenant's actual moving costs up to the amount of \$3,303.61 when the tenant provides receipts for the moving expense. (Amount subject to CPI increase.)

¹ Existing Apartment: one of the 160 existing rent-controlled apartments within the Euclid Improvements Area; Temporary Apartment: interim existing apartment in move in condition within one mile of the Euclid Improvements Area; Right of Return Apartment: newly constructed rent-stabilized unit within the new development project at the Euclid Improvements Area

3. Tenants may move themselves and receive a moving assistance payment of \$1,962.10. (Subject to CPI increase.)

In addition to City requirements and in response to Council feedback, the applicant will:

- Provide a \$1,000 anti-displacement incentive in the form of a rent rebate or housing goods voucher for tenants who move into to Right of Return units; and
- Offer Right of Return units to tenants who moved out of the Euclid Improvements area between the date Woodland Park announced the Euclid Improvements (December 2018) and date Woodland Park sent the final, signed relocation commitments to all affected households (October 2019) to ensure that no displacement occurred due to a lack of awareness of relocation benefits.

Economic Impact

Upfront Obligations Associated with Development of the Project

The Project will be required to pay all related Development Impact Fees, as shown in Table 5. Many of these Fees are paid directly to the City of East Palo Alto, but there are other impact fees that are paid directly to other taxing entities. Impact Fees for other taxing entities are not included in Table 5 below and include School Impact Fees and Sanitary District Impact Fees. School impact fees are estimated to be over \$1.5 million for the proposed project. The East Palo Alto Sanitary District (EPASD) is in the process of adopting new impact fees as of the writing of this report, which are estimated at over \$7 million for the proposed project based on a fee set forth in an EPASD staff report published for the August 30, 2022 board meeting.

Fee Category	Estimated Fee
Inclusionary Housing In-lieu Fee ^a	\$3,626,000
Parks/Trails	\$1,446,106
Public Facilities	\$2,536,118
Storm Drainage	\$311,417
Water Capacity Fee	\$2,539,494
Transportation Impact Fee	\$938,926
Intersection Improvement Fair Share Contribution	\$159,613
Total Local Impact Fees	\$11,557,674

a. Based on assumption that off-site affordable housing project will include 75 units

Additionally, the Applicant will apply for fee credits, which would reduce the fee amounts by providing physical improvements, as permitted by the Municipal Code, as follows:

- a credit against the water capacity fee and public facility fee for the water tank and pump station
- a credit against the storm drainage fee for the cost of storm drainage infrastructure improvements to reduce storm water impacts and discharge rates
- a credit against transportation impact fee for specific streetscape or frontage improvements, including on-street parking that increases the number of on-street stalls beyond what would be provided with parallel parking, bike lanes, and other transportation infrastructure, above City standards
- a credit against parks and trails fees for the cost of constructing the Park Space

The credit amounts will be determined closer to Building Permit issuance.

Annual Obligations and Fiscal Impact Analysis

The Fiscal Impact Analysis (see Attachment M), prepared by the Applicant’s consultant Economics and Planning Systems (EPS) and peer-reviewed by the City’s consultant Keyser Marston Associates, concludes the proposed Project is projected to have a positive net impact on the City of East Palo Alto’s General Fund, resulting in an estimated \$ 1,109,000 in annual General Fund revenues in excess of the estimated annual General Fund expenditures required for the City to provide services to the project. This analysis included the offsite affordable housing project component.

Development Agreement and Community Benefits

The application for the proposed project includes a Development Agreement. The Development Agreement process is regulated by EPAMC Chapter 18.108. A Development Agreement is a voluntary contract between a local jurisdiction and property owner that details obligations of both parties, specifies standards and conditions that will govern development of property, locks in current City land use regulations for a set time, and can be used to negotiate community benefits. The proposed Development Agreement is for a term of seven years with automatic extension of five years if the applicant submits a complete application for a building permit within the seven-year term; it also outlines the project’s Community Benefits.

Community Benefits are added value a developer provides to the City beyond what is required by City codes, policies, regulations and the master fee schedule. Westside Area Plan Policy 5.4 specifically requires applicants requesting increases in intensity to enter into a development agreement and/or pay fees to support the development of new parks, open spaces, infrastructure and community facilities necessary to support a higher level of development on the Westside.

The Applicant proposes material and beneficial Community Benefits discussed in Table 6 below that are incorporated into the Development Agreement. As described above, the Applicant intends to apply for credits to impact fees for some items that are considered community benefits. The last column in Table 6 describes the interaction between the fee credit and community benefit.

TABLE 6: Proposed Community Benefits		
Item	Description	Fee Credit Relationship
New public park	The applicant will provide a new 9,300 square foot park, which will be available for use by the public free of charge in perpetuity between 8:00 a.m. and sunset. The applicant will be responsible for maintenance of the park, and the public’s right to access the park will be formalized through the dedication of a public access easement or execution of a license agreement.	Fee credit: The cost of constructing the Park Space will be credited against the Project’s required parks and trails development impact fees. Community Benefit: Public access easement (or license) over the Park Space, as well as the Developer’s obligation to maintain the Park Space

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TABLE 6: Proposed Community Benefits		
Item	Description	Fee Credit Relationship
Community Function Space	The applicant will pay for, construct, and maintain an approximately 2,500 square-foot Community Function Space as a multi-use space appropriate for City functions or events, and for community groups to use for meetings, events, educational purposes, cultural celebrations, and similar gatherings. The Community Function Space shall be built out to include finished flooring, drop down or open concept ceilings, bathroom for the exclusive use of guests of the community room, audio and visual equipment, furniture, fixtures and equipment, and other features appropriate for the purpose of the space. The Community Function Space will be available for use by the community and City between the hours of 8am and 10pm free of charge and community users will have priority status to reserve the space over building tenants when reservations are made more than 10 days in advance of the use of the community room.	None
Bus Stop Improvements	Applicant will build a high-quality bus shelter, including wind and rain screening and transit schedule information, on O'Connor Street near Euclid Ave. It is intended to be served by SamTrans routes 81, 280, and 281 and Ravenswood City School District school buses.	None
Water tank and infrastructure	Applicant will construct a 1.5 million gallon water tank and pump system, in coordination with City of East Palo Alto Public Works and Menlo Fire District, to improve the overall water conveyance, supply, and pressure in the neighborhood. The tank, pump system and the land will be transferred to the City.	Fee credit: A portion of this new infrastructure will be credited against the water capacity fees and public facilities fees Community Benefit: The cost incurred by the Developer in excess of the required water capacity fees and public facilities fees are considered a community benefit
Storm Drainage Improvements	Applicant will build storm drainage infrastructure improvements in the Project-adjacent street segments of Euclid Ave., O'Connor Street, Manhattan Ave, and/or West Bayshore Ave consistent with the existing City of East Palo Alto Storm Drain Master Plan to reduce storm water impacts and discharge rates, up to a maximum cost of \$500,000	Fee credit: A portion of the cost of constructing the storm drainage improvements will be credited against storm drainage fees Community Benefit: The remaining value of the improvement will be a community benefit.
Dedication of Roadway	Applicant will dedicate approximately 20,350 square feet (roughly ½ acre) of land to the City of East Palo Alto, along the entire frontage of O'Connor Street between Manhattan Ave and	None

TABLE 6: Proposed Community Benefits		
Item	Description	Fee Credit Relationship
	Euclid Ave, and a portion of the frontage of Euclid Ave between O'Connor Street and West Bayshore Road. This includes existing roadway, sidewalk, and building-related open space.	

As described above, the Development Agreement is functioning as the Affordable and Inclusionary Housing Agreement for this project and includes specific requirements related to the development of the off-site affordable housing project (see Section 4.5). The Development Agreement sets forth the following:

- **Affordability levels:** Sets the affordability levels for the off-site units (25% of such units available to and rented at rents affordable to 35% AMI households; 50% of such units available to and rented at rents affordable to Very Low Income Households up to 50% AMI; and 25% of such units available to and rented at rents affordable to Low Income Households (up to 60% AMI)).
- **Number of units:** Sets forth the number of units (70-89) to be constructed on the off-site parcel and payment of the in-lieu fee to account for any units not constructed.
- **Timing:** The planning application for the off-site units must be submitted to the City prior to issuance of building permits for the principal Project, and building permits for the off-site units are required to be pulled at or before the City's issuance of the first Certificate of Occupancy for the principal Project, or:
 - **Safety Net Units:** If building permits have not been pulled for the off-site affordable units at the time of first Certificate of Occupancy for the principal Project, the Applicant is required to place affordability restrictions on existing vacant units in the developer's portfolio until the off-site affordable project is constructed. Households occupying these units would be transferred to the off-site affordable project after construction is complete.

For further information on the requirements associated with the safety net units, see Attachment L.

Required Findings

The Applicant is requesting a General Plan Amendment, Development Code Amendment, Design Review, Conditional Use Permit, and Tentative Map for the construction of a new mixed-use residential development. The required findings for each of these entitlements are noted below, and expanded analysis is presented in Attachment G.

Findings for General Plan Amendments (EPAMC Sec. 18.114.060(A))

- The amendment is internally consistent with all other provisions of the General Plan.
- The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.
- The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed

use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

Findings for Development Code and Zoning Map Amendments (EPAMC Sec. 18.114.060(B))

- The proposed amendment is consistent with the General Plan and any applicable specific plan.
- The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.
- The proposed amendment is internally consistent with other applicable provisions of the Development Code.
- The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

Neighborhood Center Overlay District Findings (EPAMC Sec. 18.11.050) (Proposed Development Code Amendment)

- The project does not displace existing residents.
- The project provides for some income-restricted affordable housing.
- The project preserves “right of return” for existing residents if demolition of existing residential units is proposed.
- The project maintains the City’s rent stabilization program, where applicable.
- The project contributes to the provision of new parks and open spaces.
- The project contributes to the provision of new streets and infrastructure.
- The project improves the fiscal health of the City.
- The project enhances the area for residents.

Design Review Findings (EPAMC Sec. 18.86.050(C))

- The proposed development is consistent with the General Plan and any applicable specific plan and is in compliance with all applicable provisions of the Development Code and all other City ordinances and regulations.
- The proposed development is to be constructed on a suitable site, adequate in shape, size, topography, and other circumstances to accommodate the proposed development.
- The proposed development complies with the applicable standards of review.
- The proposed development is designed and arranged to provide adequate consideration to ensure the public health, safety, and general welfare, and to prevent adverse effects on neighboring property.

Conditional Use Permit Findings for the demolition of Affordable Dwelling Units (EPAMC Sec. 18.88.060(A))

- The proposed use is consistent with the General Plan and any applicable specific plan.
- The proposed use is allowed within the subject zone and complies with all other applicable provisions of the Development Code and the Municipal Code.
- The design, location, size, and operating characteristics of the proposed use are compatible with the allowed uses in the vicinity, as detailed in the General Plan or any

applicable Specific Plan.

- Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use.
- The subject site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities; and served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate.

Additional Findings for the demolition of Affordable Dwelling Units (EPAMC 18.48.220):

- The proposal will not be materially detrimental to the public interest of the affected neighborhood and the City.
- The proposal is consistent with the City's General Plan policies, Development Code requirements, and all other City rules and regulations.
- Whether the project is necessary to permit construction of special needs facilities such as, but not limited to: childcare centers and affordable housing developments that serve the greater good of the entire community.

Tentative Map Findings (EPAMC Sec. 18.52.060)

- The proposed map, subdivision design, and improvements are consistent with the General Plan, any applicable specific plan, and this Article.
- The site is physically suitable for the type and proposed density of development;
- The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- The design of the subdivision or type of improvements is not likely to cause serious public health or safety problems.
- The design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of, property within the proposed subdivision.
 - This finding may also be made if the Review Authority finds that alternate easements for access or use will be provided, and that they will be substantially equivalent to ones previously acquired by the public.
 - This finding shall apply only to easements of record, or to easements established by judgment of a court of competent jurisdiction, and no authority is hereby granted to the Review Authority to determine that the public at large has acquired easements of access through or use of property within the proposed subdivision.
- The discharge of sewage from the proposed subdivision into the community sewer system will not result in violation of existing requirements specified by the California Regional Water Quality Control Board.
- The design of the subdivision provides, to the extent feasible, passive or natural heating and cooling opportunities.
- The proposed subdivision, its design, density, and type of development and improvements conforms to the regulations of the Development Code and the regulations of any public agency having jurisdiction by law.

Development Agreement Findings (18.108.030(D))

- The development agreement is in the best interests of the City.

- The development agreement is consistent with the purpose, intent, goals, policies, programs, and land use designations of the General Plan, any applicable specific plan, and the Development Code.
- The development agreement will promote the public convenience, health, interest, safety and general welfare of the City.
- The project will be compatible with the uses authorized in, and the regulations prescribed for, the zone in which the real property is located.
- The project will not adversely affect the orderly development of property or the preservation of property values.
- The project will further important Citywide goals and policies that have been officially recognized by the Council.
- The project will provide the City with important, tangible benefits beyond those that may be required by the City through project conditions of approval.

Environmental Review

The City of East Palo Alto is the lead agency for all California Environmental Quality Act (CEQA) activities and is responsible for preparation of all studies/documents associated with environmental review of the Project.

The City published the Notice of Preparation for an EIR for the Project on April 22, 2020, and a Scoping Meeting was held before the Planning Commission on May 18, 2020. On July 1, 2021, the City issued a Notice of Availability of the Draft Environmental Impact Report (DEIR). Publication of the Notice of Availability began a forty-five (45) day public review period, which was extended to a 75-day review period, concluding September 15, 2021. During this period, a Planning Commission hearing to solicit comments on the DEIR was held on July 26, 2021 and the DEIR was available for review and comment to the community, local, State, federal agencies, and interested organizations.

A copy of the DEIR is available at: https://www.cityofepa.org/sites/default/files/fileattachments/planning/project/19555/woodland_park_euclid_improvements_deir_june_2021.pdf

CEQA Guidelines Appendix G sets forth a set of questions to answer to evaluate impacts to environmental resource areas. The DEIR found that all impacts would be mitigated to a less-than-significant level with implementation of the recommended mitigation measures, with the exception of Aesthetics and Utilities and Service Systems, which would remain significant and unavoidable impacts. Mitigation measures were still applied to these topics to reduce the impacts as much as possible, as required by CEQA.

Resource areas requiring mitigation measures to reduce impacts to less-than-significant include Air Quality, Biological Resources, Cultural Resources and Tribal Cultural Resources, Geology and Soils, Noise, Transportation, Greenhouse Gas Emissions, and Hazards and Hazardous Materials, as shown in Table 7 below. Resource areas listed as less-than-significant or no impact do not require mitigation. Resource areas requiring mitigation are further described below.

TABLE 7: Resource Area Impact Summary		
Less-than-Significant or No Impact	Less-than-Significant Impact with Mitigation	Significant and Unavoidable Impact

Attachment: September 6, 2022 Staff Report (2406 : Woodland Park Euclid Improvements)

TABLE 7: Resource Area Impact Summary		
Less-than-Significant or No Impact	Less-than-Significant Impact with Mitigation	Significant and Unavoidable Impact
Agricultural and Forestry Resources	Air Quality	Aesthetics
Energy	Biological Resources	Utilities And Service Systems
Hydrology and Water Quality	Cultural Resources and Tribal Cultural Resources	
Land Use	Geology and Soils	
Mineral Resources	Noise	
Population and Housing	Transportation	
Public Services	Greenhouse Gas Emissions	
Recreation	Hazards and Hazardous Materials	
Wildfire		

Significant and Unavoidable Impacts:

Aesthetics

The EIR determined there would be a significant unavoidable impact for aesthetics. As described above, the project is proposing a new General Plan land use and zoning overlay (Neighborhood Center Residential Overlay, or NCO). This change in zoning would allow a substantial increase in density compared to the existing R-HD-5 (Multi Family High Density) and R-UHD (Multiple Family Urban High Density Residential) zoning, tripling the allowable density and nearly doubling the maximum building height. While the General Plan includes policies regarding design and development and the Municipal Code includes guidance on development, including required findings for approvals for design review, this project would introduce a new zoning and General Plan designation allowing a denser development very different than what currently is permitted and existing surrounding uses. The DEIR concluded that, even with design measures to improve the appearance of the project, the change in zoning allowing a larger building, by itself, would unavoidably modify the physical appearance and character of the immediate area. For this reason, the project would cause a significant unavoidable aesthetic impact.

Utilities and Service Systems

The second significant unavoidable impact is for utilities and service systems, specifically for sewer capacity. The DEIR conservatively uses the wastewater generation rates that are used by East Palo Alto Sanitary District (240 gallons per day per residence). There is ongoing discussion if such rates, which reflect more of a suburban land use pattern, are applicable to the denser apartment project constructed with low flow water fixtures. Using this conservative generation rate used in the Sanitary District's modeling, the DEIR concluded the addition of the project's flows to the system has the potential to stress the sewer system's capacity. While the project applicant will be required to pay its fair share funding towards sanitary sewer systems improvements as a mitigation measure, the overall improvement will be implemented by the Sanitary Sewer District and not as part of this project. As such, until these improvements are constructed, the project's effects on the existing system would be considered significant and unavoidable.

Less than Significant Impacts with Mitigation:

Air Quality

The project would implement mitigation measures to avoid impacts to air quality relating to construction dust and emissions from construction equipment. Construction activities, particularly during site preparation and grading, would temporarily generate fugitive dust. The Bay Area Air Quality Management District (BAAQMD) CEQA Air Quality Guidelines consider these impacts to be less than significant if best management practices, such as watering exposed surfaces, covering loose materials in haul trucks, and limiting vehicle speeds on unpaved surfaces, are implemented to reduce the emissions. A condition of approval would be implemented consistent with recommendations in the BAAQMD CEQA Guidelines for providing best management practices to control construction emissions and would reduce on-site fugitive dust emissions sufficiently to result in a less than significant impact. Construction equipment and associated heavy-duty truck traffic generates diesel exhaust, a known Toxic Air Contaminant. Construction exhaust emissions pose health risks for sensitive receptors such as surrounding residents, and without implementation of mitigation measures, the project would exceed BAAQMD thresholds. A mitigation measure would be implemented requiring the applicant to use modernized equipment with engines that significantly reduce emissions of particulate matter (PM) and nitrogen oxides (NO_x), which would reduce the impacts to sensitive receptors during project construction to less than significant.

Biological Resources

The project would implement a mitigation measure to avoid impacts to nesting migratory birds and reduce the potential for avian collision with the proposed office building. The mitigation measure includes conducting construction outside of nesting season or conducting nesting bird surveys, implementing buffer zones around active nests, and reporting results of surveys and required buffer zones prior to tree removal. With incorporation of these measures, the project would result in a less than significant impact to nesting birds.

Cultural Resources

Ground disturbing activities associated with project construction could disturb previously unrecorded archaeological resources or human remains due to ground disturbance associated with construction activities. Mitigation measures will be implemented to avoid or reduce impacts to due to inadvertent discovery of archaeological resources archaeological resources and/or human remains that may be present on the site, which includes work stoppage and tribal consultation if resources are discovered. These measures would reduce potential impacts to unrecorded archaeological resources at the site by identifying them prior to construction and developing alternative project designs, or treatment plans to avoid or minimize impacts to resources.

Geology and Soils

While the preliminary geotechnical report determined the project site to be geotechnically and geologically feasible for future development, the project site would still be subject to risks associated with local soils. A mitigation measure requiring a construction level geotechnical evaluation will be required and all standards and recommended engineering measures to mitigate for liquefaction, expansive soils and other local soil constraints must be incorporated into the project.

There are no major or unique paleontological resources known to exist in the city, and the likelihood of encountering unique paleontological resources is low. However, development of the project could result in the discovery and disturbance of previously unknown or undiscovered paleontological resources. To reduce this potential impact to unique

paleontological resources to a less-than-significant level, a mitigation measure is included in case a paleontological resource is encountered during grading or excavation that requires stopping construction activities within 50 feet of the find and avoiding the resource or implementing a data recovery plan.

Greenhouse Gas Emissions

Unmitigated emissions from the development of up to 605 dwelling units and retail uses would potentially exceed the BAAQMD GHG threshold. Implementation of a mitigation measure would be required to reduce GHG emissions below BAAQMD GHG threshold. The mitigation measure requires the project Applicant to prepare a Commute Trip Reduction (CTR)/Transportation Demand Management (TDM) plan to minimize vehicle trips and mobile emissions. TDM plan requirements include consultation with the local transit service provider on the need to provide infrastructure to connect the project with transit services and a TDM plan including, but not limited to, the following measures is required: ride-matching assistance, preferential carpool parking, flexible work schedules for carpools, half-time transportation coordinators, providing a web site or message board for coordinating rides, designating adequate passenger loading and unloading and waiting areas for ride-sharing vehicles, and including bicycle end of trip facilities.

Hazards and Hazardous Waste

During construction activities, such as demolition of the existing structures, there is a potential for asbestos from asbestos containing material areas and lead-based paint from painted surfaces to be exposed. However, the proposed project would be required to comply with all applicable regulations during construction, as required by the DTSC and California OES and to implement two mitigation measures, which require preparation and submittal of an Asbestos Operation and Management Plan and a Lead Based Paint and PCB Operation and Management Plan.

Noise

Noise from project construction and noise from project operation would be reduced to a less than significant impact with implementation of a mitigation measure requiring the following: maintain and tune all proposed equipment in accordance with the manufacturer's recommendations to minimize noise emission, fit all equipment with properly operating mufflers, air intake silencers, and engine shrouds, post a sign with a contact name and telephone number to respond in the event of a noise complaint, place stationary construction equipment and material delivery in loading and unloading areas as far as practicable from the residences, limit unnecessary engine idling, use smart back-up alarms or switch off back-up alarms and replace with human spotters, use low-noise emission equipment, limit use of public address systems, and minimize grade surface irregularities on construction sites.

Transportation and Circulation

The proposed driveway access to the parking garage on Manhattan Avenue may have limited sight distance for exiting vehicles onto Manhattan Avenue, resulting in a potential site design hazard from vehicles approaching from Bayshore Road. Implementation of a mitigation measure that the project applicant install traffic calming measures at the Bayshore Road/Manhattan Avenue location to reduce traffic speeds and improve the safety of driveway movements is required. Such measures could include advisory speeds signs, advanced warning signage along Manhattan Avenue and Bayshore Road, roadway bulbouts, raised dots, parking restrictions or other physical improvements.

Final EIR

Following the conclusion of the public comment period, the City of East Palo Alto prepared a Final EIR in accordance with Section 15132 of the CEQA Guidelines. The Final EIR was published on July 15, 2022.

A copy of the FEIR is available at: https://www.cityofepa.org/sites/default/files/fileattachments/planning/project/19369/euclid_feir_mmrp.pdf

Fifteen (15) public comment letters were received from individuals and agencies during the Draft EIR's 75-day public review period, including the State Water Board, East Palo Alto Sanitation District, and Palo Alto Park Mutual Water Company. The comments centered on the following topics:

- Water storage tank use and impacts
- Sanitary District capacity
- Water supply
- Neighborhood infrastructure
- Proposed height
- Proposed density and intensity of use
- Parking demand and supply
- Entitlement and construction timing and duration
- Public Art
- Gentrification
- Traffic
- Water tank aesthetics
- Parks and open space
- Tenant relocation
- Refuse service and odor
- Geotechnical report

The Planning Commission also provided comments on the Draft EIR at the July 26, 2021 public meeting. Commissioners asked questions regarding population and housing impact thresholds, alternatives, the water tank's height, purpose, and land ownership, sanitary system connections, traffic, and tree preservation.

All comments were responded to in the Final EIR (see Attachment C) and clarifying text revisions were made where necessary.

CEQA Findings of Fact and Statement of Overriding Considerations

When there are unmitigated significant and unavoidable environmental impacts associated with a project, the California Environmental Quality Act requires the decision-making agency to balance the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental impacts when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered acceptable. The City is required to state the specific reasons to support its action based on the final environmental impact report or other information in the record in a document is called a "Statement of Overriding Considerations" which is included in Attachment A. The City finds that the mitigation measures proposed to reduce significant impacts related to aesthetics and utilities and service systems cannot guarantee reduction of

the impacts to a less-than-significant level. However, the City of East Palo Alto concludes that the project's relative benefits outweigh its residual environmental effects for the following reasons:

- Consistency with Overall Vision of the General Plan and Westside Area Plan
- Improved Housing Stock
- Economic Benefits to the City of East Palo Alto
- Affordable Housing and Community Benefits

MMRP

The MMRP identifies 15 mitigation measures and one standard condition related to Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Noise, and Transportation. Implementation of the MMRP will be monitored by City staff to ensure the potential impacts of the implementation of the Project is reduced in accordance with CEQA.

Traffic Analysis

With the passage of SB 743, effective July 1, 2020, amending CEQA's evaluation of transportation impacts and the Guidelines implementing SB 743, a project's effects on intersection function (referred to as level of service or LOS) is no longer considered an impact on the environment. However, the City of East Palo Alto has General Plan policies that address LOS as a planning or growth management matter, separate from the CEQA process. In the event a deficient LOS condition is identified, the City has discretion whether to require a project to address the deficiency by implementing roadway or other transportation improvements in order to restore or improve the LOS.

Traffic conditions at 22 intersections in the project area were evaluated using LOS and compared to the City of East Palo Alto and the City of Menlo Park LOS standards. Of the 22 study intersections, nine currently operate with LOS deficiencies, and the project would have an adverse effect on the following six intersections during one or both peak hours under "existing plus project" conditions:

- University Avenue/Donohoe Street
- University Avenue/SB US-101 Ramps
- University Avenue/Woodland Avenue
- Woodland Avenue/University Circle
- Donohoe Street/NB US-101 On-Ramp
- Woodland Avenue/University Circle

The following recommended roadway improvements would improve the intersections to an acceptable LOS or otherwise improve pre-project conditions:

- University Avenue/Donohoe Street: Widen Donohoe Street to 4 through lanes in each direction. In addition, it is recommended that an exclusive southbound right-turn lane be constructed. (Recommended as part of the University Plaza Phase II Project)
- University Avenue/Woodland Avenue: Construct a third eastbound left-turn lane and reconfigure westbound approach to consist of one left-turn, one through, and one right-turn lane.
- Donohoe Street/NB US-101 On-Ramp: Signalize intersection (Recommended as part of the University Plaza Phase II Project)
- Donohoe Street/NB US-101 Off-Ramp: Widen Donohoe Street to 4 through lanes in

each direction (Recommended as part of the University Plaza Phase II Project)

The University Circle Phase II project will construct the third eastbound left-turn lane identified in the second bullet point above. The proposed improvement to widen Donohoe Street to 4 lanes in each direction would assist in relieving congestion along Donohoe Street and nearby intersections along University Avenue and Woodland Avenue. The applicant will be required to contribute funding to planned improvements being implemented at the Donohoe Street/Euclid Avenue intersection and the US 101 Northbound on-ramp as part of the University Plaza Phase II development, as well as City-planned improvements at Donohoe Street and University Avenue and at the US 101 northbound off ramp, based on a fair share formula based on the number of trips added by the project (see estimate above).

Transportation Demand Management Plan

On June 1, 2021, City Council adopted a resolution to repeal former Chapter 10.32 of the East Palo Alto Municipal Code and enact a new Chapter 10.32 establishing a transportation demand management (TDM) program. The new TDM provisions require residential developments approved after January 1, 2022, to achieve a forty percent (40%) reduction from baseline conditions in average daily trips and to submit a TDM plan that demonstrates how the project will achieve a 40 percent reduction in average daily trips. The proposed project would be subject to the new TDM requirements, and the Applicant's proposed TDM plan is provided for review as Attachment J, and Condition of Approval 29 requires the applicant to receive approval of the TDM Plan from the City's TDM Coordinator prior to issuance of building permits. The City has recently entered into contract with a TDM Program Coordinator. The City's TDM Program Coordinator will review the TDM plan for compliance with the ordinance and program guidelines.

Public Comment

As of the writing of this report, four comment letters have been received and are included as Attachment S. The letters received express support for project approval due to its contribution towards increasing regional housing supply, improving affordable housing, spurring economic growth, promoting energy-efficient and environmental design and mobility options. Any other public comments received after publication of this report will be forwarded to the City Council upon receipt.

Next Steps

Should City Council choose to proceed with the recommended actions, the Ordinances approving the Development Agreement, amending the Development Code, and amending the Zoning Map will return to Council for a second reading at a following City Council Meeting.

Public Notice

Notice of the public hearing was mailed to property owners and occupants within 600-foot radius of the project site on August 26, 2022. A legal ad was placed in the local newspaper and published on August 26, 2022. The public was provided notice of this agenda on the City's official bulletin board outside City Hall, and the agenda and report were made available on the City's website. The project website was updated with meeting information.

In addition, notices were also mailed to state, local and regional agencies, and posted at the project site. Active non-profits and religious institutions in the Westside area and other interested parties were also mailed or emailed the meeting notice and Final EIR. The applicant also conducted further public outreach and noticing, including a mailing to the Westside neighborhood.

Attachments

- A. CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation, Monitoring, and Reporting Program
- B. Draft EIR
- C. Final EIR
- D. General Plan Amendment Resolution
- E. Development Code Amendment Ordinance
- F. Zoning Map Amendment Ordinance
- G. Resolution Approving Project, Required Findings, and Conditions of Approval
- H. Ordinance Approving Development Agreement (with Development Agreement)
- I. Architectural Plans ([click link here](#))
- J. TDM Plan and Parking Analysis
- K. Relocation Plan
- L. Affordable Housing Alternative Compliance Milestones
- M. Fiscal Impact Analysis
- N. Community Impact Report
- O. Community Involvement Strategy
- P. General Plan Consistency Analysis
- Q. Planning Commission Meeting Public Comments
- R. Planning Commission Resolution
- S. City Council Meeting Public Comments

RESOLUTION NO. CC 2022-_____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO
CERTIFYING A FINAL ENVIRONMENTAL IMPACT REPORT (FEIR),
ADOPTING THE MITIGATION MONITORING AND REPORTING PLAN
(MMRP), ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS
AND DIRECTING THE FILING A NOTICE OF DETERMINATION FOR A
MIXED-USE PROJECT AT 2001 MANHATTAN AVENUE
(WOODLAND PARK EUCLID IMPROVEMENTS).**

WHEREAS, the application for General Plan Amendment (GP19-001) and Development Code and Zoning Map amendments (ZC19-002), Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), Tentative Parcel Map (TTM19-001), and Development Agreement submitted by Woodland Park Communities/Sand Hill Property Company (“Sand Hill”) pertains to an approximately 3.92-acre project site generally located at 2001 Manhattan Avenue, East Palo Alto, CA; and

WHEREAS, Sand Hill proposes construction of a mixed-use residential project containing approximately 605 residential units within three buildings ranging in height from 5 to 13 stories with approximately 605 parking spaces in a structured garage and approximately 2,500 square feet of community function space and 2,215 square feet of neighborhood-serving retail space; and

WHEREAS, on July 1, 2021, the City issued a Notice of Availability of the Draft Environmental Impact Report (DEIR) and received fifteen comment letters during the extended 75-day public comment period which ended on September 15, 2021; and

WHEREAS, a Final Environmental Impact Report (FEIR) has been prepared in accordance with Section 15132 of the California Environmental Quality Act (CEQA) Guidelines and the City Council reviewed the FEIR and the comments received during the public review period; and

WHEREAS, in accord with Section 15090 of the CEQA Guidelines, the FEIR has been presented to the City Council and the document reflects the City’s, as lead agency, independent judgment and analysis; and

WHEREAS, a Statement of Overriding Considerations has been prepared in accordance with CEQA Guidelines Section 15093, and the statement of overriding considerations is supported by substantial evidence in the record; and

WHEREAS, on July 25, 2022, the Planning Commission held a duly noticed public hearing on the General Plan and Development Code Amendments, Zoning Map Amendments, Design Review and Conditional Use Permits, Tentative Parcel Map, Development Agreement, and Environmental Impact Report (EIR), and other project entitlements (“Project”) and recommended the City Council approve the project by Resolution # _____;

WHEREAS, on September 6, 2022, the City Council held a duly noticed public hearing on the Project and continued the public hearing to September 20, 2022;

NOW, THEREFORE, BE IT RESOLVED THAT THE EAST PALO ALTO CITY COUNCIL hereby:

1. **Certifies** that the Woodland Park Euclid Improvements Project Final Environmental Impact Report (SCH # 2020040270) on file with the City Clerk has been done in compliance with the California Environmental Quality Act (CEQA);
2. **Adopts** a Mitigation, Monitoring and Reporting Plan (Attachment A) pursuant to Public Resources Code 21000 and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000);
3. **Adopts** a Statement of Overriding Considerations (Attachment B);
4. **Directs** the Community and Economic Development Director to File a Notice of Determination within five working days of adoption pursuant to Section 15075 of the CEQA Guidelines; and

ADOPTED on this _____ day of _____ 2022, by the following vote:

AYES:
NOES:
ABSENT: ABSTAIN:

SIGNED:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin
City Clerk

Valerie J. Armento
Interim City Attorney

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation, Monitoring, and Reporting Program

ATTACHMENT A: MITIGATION MONITORING AND REPORTING PLAN

4 Mitigation Monitoring and Reporting Program

4.1 Public Resources Code

When approving projects with Environmental Impact Reports (EIRs) that identify significant impacts, the California Environmental Quality Act (CEQA) requires public agencies to adopt monitoring and reporting programs or conditions of project approval to mitigate or avoid the identified significant effects (Public Resources Code Section 21081.6(a)(1)). A public agency adopting measures to mitigate or avoid the significant impacts of a proposed project is required to ensure that the measures are fully enforceable, through permit conditions, agreements, or other means (Public Resources Code Section 21081.6(b)). The program must be designed to ensure project compliance with mitigation measures during project implementation.

The Mitigation Monitoring and Reporting Program (MMRP) is organized in a table format (see [Table 4-1: Mitigation Monitoring and Reporting Program for the Woodland Park Euclid Improvements Project](#), keyed to each significant impact and each EIR mitigation measure. Only mitigation measures adopted to address significant impacts are included in this program. Each mitigation measure is set out in full, followed by a tabular summary of monitoring requirements. The column headings in the tables are defined as follows:

- **Mitigation Measures:** This column presents the mitigation measure identified in the EIR.
- **Monitoring/Reporting Responsibility:** This column contains an assignment of responsibility for the monitoring and reporting tasks.
- **Timing of Implementation:** This column refers to when the measure is required to be implemented.
- **City Staff/Notes:** This column will be used by the lead agency to document the person who verified the implementation of the mitigation measure and the date on which this verification occurred.

4.2 Enforcement

If the project is approved, the MMRP for the development would be incorporated as a condition of such approval. Therefore, all mitigation measures for significant impacts must be carried out to fulfill the requirements of approval. A number of the mitigation measures would be implemented during the course of the development review process. These measures would be checked on plans, in reports, and in the field prior to construction. Most of the remaining mitigation measures would be implemented during the construction, or project implementation phase.

Table 4-1: Mitigation Monitoring and Reporting Program for the Woodland Park Euclid Improvements Project

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
Aesthetics				
AES-2	<p>MM AES-2.1 Construction Screening</p> <p>To minimize and soften the visual effect as seen from visitors and nearby residents, the project proponent shall incorporate construction fencing or screening around the perimeter of the site. The screening material shall be of sufficient height to mask ground-level activities within and be designed with graphics, murals, historic references, or other design features to blend as much as possible with the neighborhood surroundings while communicating the future uses at the site. Screening shall remain in place during demolition of existing structures, site preparation and new building construction. Screening shall not be necessary during the final stages of construction when architectural coatings, detailing and landscaping are applied. The plan for screening concept and design shall be submitted for approval to the City of East</p>	Community and Economic Development Department	<p>Plan for screening to be submitted prior to the issuance of any building or grading permits.</p> <p>Measure to remain in place until final stages of construction.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	Palo Alto prior to issuance of any building and grading permits.			
AES-2	<p>MM AES-2.2 Water Tank Screening</p> <p>During construction, the applicant shall provide construction screening of the water tank site to soften visual effects of construction. In the final phase of tank construction, the applicant shall landscape the perimeter of the water tank site at 375 Donohoe with a combination of fencing and vegetation to soften and screen the appearance of the water tank and related improvements. Plant selection shall include native, taller species or trees to provide a visually appealing screen as viewed from the roadway and surrounding land uses. Landscaping and screening shall not conflict with water tank access or operations. Landscaping plans shall be submitted to the City for review and approval with final improvement plans.</p>	Community and Economic Development Department	<p>Applicant to maintain screening around the perimeter of the water tank site throughout construction period (e.g. demolition, site preparation, and new building construction).</p> <p>Landscaping plans shall be submitted to the City for review and approval with final improvement plans. Applicant to landscape the perimeter of the water tank site with fencing vegetation in the final phase.</p>	
AES-3	MM AES-3.1 Glare Reduction	Community and Economic	Applicant to incorporate AR glass products and surfaces to minimize	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	As part of final improvement plans, the project shall incorporate anti-reflective (AR) glass products and surfaces selected specifically to minimize reflective glare. Such materials can vary but typically consist of matte or patterned finishes that serve to both reduce reflective glare and reduce bird strike.	Development Department	glare as part of final improvement plans.	
Air Quality				
AQ-2	<p>SC AQ-2.1 BAAQMD Basic Construction Measures</p> <p>BAAQMD Basic Construction Measures. Prior to any grading activities, the applicant shall prepare and implement a Construction Management Plan that includes the BAAQMD Basic Construction Mitigation Measures to minimize construction-related emissions. This shall plan shall first be reviewed and approved by the Director of Public Works/City Engineer. The BAAQMD Basic Construction Mitigation Measures are:</p>	Director of Public Works/City Engineer; Construction contractor	Prior to and during construction.	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<ul style="list-style-type: none"> • All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day. • All haul trucks transporting soil, sand, or other loose material off-site shall be covered. • All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited. • All vehicle speeds on unpaved roads shall be limited to 15 mph. • All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used. • Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 			

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.</p> <ul style="list-style-type: none"> • All construction equipment shall be maintained and properly tuned in accordance with manufacturer’s specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation. • Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District’s phone number shall also be visible to ensure compliance with applicable regulations. 			
AQ-3	MM AQ-3.1 Off-Road Diesel-Powered Construction Equipment	Community and Economic Development	Construction operations plan to be submitted and equipment specifications to be confirmed prior	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>All mobile diesel-powered off-road equipment operating on-site for more than two days and larger than 50 horsepower shall, at a minimum, meet U.S. Environmental Protection Agency (EPA) particulate matter emissions standards for Tier 4 engines or equivalent. Prior to the issuance of any demolition permits, the project applicant shall submit a construction operations plan to the Planner/Project Manager of the Planning Division of the Department Community and Economic Development, which includes specifications of the equipment to be used during construction and confirmation this requirement is met. Such equipment could include concrete/industrial saws, graders, scrapers, rollers, cranes, forklifts, generator sets, and air compressors.</p> <p>The construction contractor may use other measures to minimize construction period Diesel Particulate Matter (DPM) emissions to reduce the estimated cancer risk below the thresholds. The use of equipment that includes CARB-certified Level 4 Diesel Particulate Filters or alternatively-fueled</p>	<p>Department; Construction Contractor</p>	<p>to the issuance of any demolition permits.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>equipment (i.e., non-diesel), added exhaust devices, or a combination of these measures could meet this requirement. If any of these alternative measures are proposed, the construction operations plans must include specifications of the equipment to be used during construction prior to the issuance of any demolition permits. If any of these alternative measures are proposed, the plan shall be accompanied by a letter signed by a qualified air quality specialist, verifying the equipment included in the plan meets the standards set forth in this mitigation measure.</p>			
Biological Resources				
BIO-1	<p>MM BIO-1.1 Preconstruction Bird Surveys</p> <p>The applicant shall schedule all on-site tree removal, demolition and grading to occur outside of the nesting and breeding season (February 1 through September 1) of any given year to avoid nest disturbance. If this schedule is not practical or feasible, the applicant shall hire a qualified biologist to</p>	<p>Project Applicant; Qualified Biologist</p>	<p>Applicant to schedule on-site tree removal, demolition, and grading to occur outside of the nesting and breeding season (February 1 through September 1) to avoid nest disturbance.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	conduct preconstruction nesting bird surveys of the site plus a 100-foot perimeter around the site, no more than seven days prior to removal of trees and grading. If nesting birds are observed, the biologist will establish a buffer zone where no tree removal or grading will occur until the biologist confirms that all chicks have fledged and are no longer reliant on the nest. The buffer zone may vary from 50 to 250 feet, depending upon the species of bird and exposure of the nest site.		If surveys are required, results shall be submitted to Community and Economic Development Department prior to commencement of site work/tree removal.	
Cultural Resources				
CR-2	MM CR-2.1 Inadvertent Discovery of Archaeological Resources In the event the buried, or previously unrecognized archaeological deposits or resources are encountered during ground disturbing activities, work shall be temporarily halted within a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified professional Archaeologist has evaluated the situation	Construction Contractor; Qualified Archaeologist	During ground disturbing activities.	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>and provided appropriate recommendations. Project personnel shall not collect cultural resources. Construction and potential impacts to the area(s) within a radius determined by the archaeologist shall not recommence until the assessment is complete.</p> <p>If any tribal cultural resources are found, the project applicant and/or its contractor shall cease all work within 50 feet of the discovery and immediately notify the City of East Palo Alto Planning Division. Potentially significant Native American resources consist of but are not limited to chert or obsidian flakes, projectile points, mortars, and pestles; and dark friable soil containing shell and bone dietary debris, heat-affected rock, or human burials. The tribal monitor(s) will contact the tribal representative(s) and in consultation with the City and an archeologist evaluate the finds. Appropriate mitigation measures for the inadvertently discovered tribal cultural resource shall be at the direction of tribal leadership.</p>			

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>The City and tribal representative(s) shall consider the mitigation recommendations and agree on implementation of the measure(s) that are feasible and appropriate. Such measures may include reburial of any ancestral remains, avoidance, preservation in place, excavation, documentation, or other appropriate measures.</p>			
<p>CR-2</p>	<p>MM CR-2.2 Inadvertent Discovery of Human Remains</p> <p>In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 50-foot radius of the find. The project proponent shall then inform the San Mateo County Coroner and the City of East Palo Alto immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).</p>	<p>Community and Economic Development Department; San Mateo County Coroner</p>	<p>During ground disturbing activities.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the NAHC to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains associated grave artifacts, and shall oversee the disposition of the remains.</p> <p>In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized</p>			

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.			
Geology & Soils				
GEO-5	<p>MM GEO-5.1 Final Geotechnical Evaluation</p> <p>A construction level geotechnical evaluation shall be required for the project. The project shall be required to adhere to and incorporate all standards and recommended engineering measures to mitigate for liquefaction, expansive soils and other local soil constraints. The final geotechnical evaluation will be provided to the City for review and approval prior to the issuance of building permits.</p>	Community and Economic Development Department	Prior to the issuance of building permits.	
GEO-6	<p>MM GEO-6.1 Inadvertent Discovery of Paleontological Resources</p> <p>In the event that fossils or fossil-bearing deposits are discovered during</p>	Qualified Paleontologist	During ground disturbing activities.	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>construction activities, work shall be temporarily halted with a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified paleontologist has evaluated the situation and provided appropriate recommendations. Construction and potential impacts to the area(s) within a radius determined by the paleontologist shall not recommence until the assessment is complete.</p> <p>If it is determined that the proposed development could damage unique paleontological resources, mitigation shall be implemented in accordance with Public Resources Code Section 21083.2 and Section 15126.4 of the CEQA Guidelines. Possible mitigation under Public Resources Code Section 21083.2 requires that reasonable efforts be made for resources to be preserved in place or left undisturbed. If preservation in place is not feasible, the applicant shall mitigate significant effects. Excavation as mitigation shall be limited to those parts of resources</p>			

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>that would be damaged or destroyed by a project. Possible mitigation under CEQA emphasizes preservation-in-place measures, including planning construction avoid paleontological sites, incorporating sites into parks and other open spaces, covering sites with stable soil, and deeding the site into a permanent conservation easement. Under CEQA Guidelines, when preservation in place is not feasible, data recovery through excavation shall be conducted with a data recovery plan in place.</p>			
Greenhouse Gas Emissions				
GHG-1	<p>MM GHG-1.1 Transportation Demand Management Plan</p> <p>Prior to approval of project entitlements for future residential uses, the project applicant shall prepare qualifying Commute Trip Reduction (CTR)/Transportation Demand Management (TDM) plan to reduce mobile GHG emissions for all uses. The TDM plan shall be approved by the City of East Palo Alto and any physical features</p>	<p>Community and Economic Development Department</p>	<p>Prior to the approval of project entitlements.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>resulting from the plan shall be shown in final improvement plans. The TDM plan shall discourage single-occupancy vehicle trips and encourage alternative modes of transportation such as carpooling, taking transit, walking, and biking. The following measures or equally effective measures shall be incorporated into the TDM plan.</p> <ul style="list-style-type: none"> • The project applicant shall consult with the local transit service provider on the need to provide infrastructure to connect the project with transit services. Evidence of compliance with this requirement may include correspondence from the local transit provider(s) regarding the potential need for installing bus turnouts, shelters or bus stops at the site. • The CTR/TDM plan for the project shall include, but not be limited to the following potential measures: ride-matching assistance, preferential carpool parking, flexible work schedules for carpools, half-time transportation coordinators, providing 			

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>a web site or message board for coordinating rides, designating adequate passenger loading and unloading and waiting areas for ride-sharing vehicles, and including bicycle end of trip facilities. This list may be updated as new methods become available. Verification of this measure shall occur prior to building permit issuance for the commercial uses.</p>			
<p>Hazards & Hazardous Materials</p>				
<p>HAZ-1</p>	<p>MM HAZ-1.1 Asbestos Operation and Management Plan</p> <p>Prior to demolition and removal of material from the site, the project applicant shall implement the recommendations of the 2014 Asbestos O&M Plan for work involving asbestos-containing material. These measures include asbestos training and specific work procedures for employees managing asbestos contaminated materials, notification procedures for building owners and occupants, asbestos clean-up and</p>	<p>Project Applicant; City Building Official</p>	<p>Prior to demolition activities.</p>	

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	emergency response procedures, and recordkeeping of identified asbestos contaminated materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation.			
HAZ-1	<p>MM HAZ-1.2 Lead Based Paint and PCB Operation and Management Plan</p> <p>Prior to any renovations or demolition, the project applicant shall implement the recommendations of the LBP O&M Plan for work involving lead based painted surface areas to be carried out. These measures include training and special work procedures for employees managing lead-based paint materials, notification procedures for building owners and occupants, emergency response procedures, and recordkeeping of identified lead-based paint materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation. The project shall also follow current San Francisco Bay Regional Water Quality Control Board requirements</p>	Project Applicant; City Building Official	Prior to any renovations or demolition activities.	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	for identifying and controlling PCB's during building demolition, if present.			
Noise & Vibration				
N-1	<p>MM N-1.1 Construction Noise Reduction</p> <p>Prior to Grading Permit issuance, the applicant shall demonstrate, to the satisfaction of the City of East Palo Alto Director of Public Works or City Engineer that all applicable construction plans and specification include the following measures:</p> <ul style="list-style-type: none"> • Construction activities shall be restricted to daytime hours of between 7:00 a.m. and 8:00 p.m. on weekdays. • Prior to the start of construction activities, the construction contractor shall: <ul style="list-style-type: none"> ○ Maintain and tune all proposed equipment in accordance with the manufacturer's recommendations to minimize noise emission. 	Project Applicant; Director of Public Works or City Engineer	Prior to issuance of grading permit issuance.	

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<ul style="list-style-type: none"> ○ Inspect all proposed equipment and should fit all equipment with properly operating mufflers, air intake silencers, and engine shrouds that are no less effective than as originally equipped by the manufacturer. ○ Post a sign, clearly visible at the site, with a contact name and telephone number of the City of East Palo Alto’s authorized representative to respond in the event of a noise complaint. ○ Place stationary construction equipment and material delivery in loading and unloading areas as far as practicable from the residences. ○ Limit unnecessary engine idling to the extent feasible. ○ Use smart back-up alarms, which automatically adjust the alarm level based on the background noise level, or switch off back-up alarms and replace with human spotters. 			

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<ul style="list-style-type: none"> ○ Use low-noise emission equipment. ○ Limit use of public address systems. ○ Minimize grade surface irregularities on construction sites. 			
Transportation & Circulation				
TRA-2	<p>MM TRA-2.1 Traffic Calming Measures</p> <p>Prior to operational use of the parking garage, the project applicant shall install traffic calming measures at the Bayshore Road/Manhattan Avenue location to reduce traffic speeds and improve the safety of driveway movements. Such measures could include advisory speeds signs, advanced warning signage along Manhattan Avenue and Bayshore Road, roadway bulbouts, raised dots, parking restrictions or other physical improvements. Final traffic calming measures will be determined in consultation with City of East Palo Alto</p>	City Public Works Department	<p>Final measures determined prior to final improvement plans.</p> <p>Implementation/installation prior to operation of the parking garage.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	Public Works staff during review of improvement plans.			
Utilities & Service Systems				
UTIL-1	Refer to MM AES-2.1, SC AQ-2.1, SC AQ-3.1, MM AQ-3.1, MM GHG-1.1, MM HAZ-1.1, MM HAZ-1.2, MM N-1.1	Refer to Impact AES-2, AQ-2, AQ-3, GHG-1, HAZ-1, and N-1.	Refer to Impact AES-2, AQ-2, AQ-3, GHG-1, HAZ-1, and N-1.	
UTIL-3	<p>MM UTIL-3.1 Fair Share Funding of Project Improvements</p> <p>The project applicant shall either fund the fair share of construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both. The project’s financial and implementation responsibility for sewer capacity improvements shall be determined in consultation with the City of East Palo Alto Public Works Department. Fair share funding of common improvements to the city-wide system would also address the</p>	City Public Works Department	Prior to issuance of building permits	

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Impact Number	Mitigation Measure	Monitoring/ Reporting Responsibility	Timing of Implementation	City Staff Notes; Initials/Date when Done
	<p>project’s contribution to significant cumulative effects. Funding or construction of common improvements shall occur prior to the issuance of building permits or as determined by the City. The project’s fair share of responsibility shall be proportionate to the impact. The project shall not be responsible for mitigating all existing deficiencies.</p>			
UTIL-5	<p>Refer to MM AES-2.1, SC AQ-2.1, SC AQ-3.1, MM AQ-3.1, MM GHG-1.1, MM HAZ-1.1, MM HAZ-1.2, MM N-1.1</p>	<p>Refer to Impact AES-2, AQ-2, AQ-3, GHG-1, HAZ-1, and N-1.</p>	<p>Refer to Impact AES-2, AQ-2, AQ-3, GHG-1, HAZ-1, and N-1.</p>	

Attachment: CEQA Resolution, Findings of Fact and Statement of Overriding Considerations, Mitigation,

ATTACHMENT B: STATEMENT OF OVERRIDING CONSIDERATIONS

City of East Palo Alto
Draft Findings Required Under the California Environmental Quality Act
(Public Resources Code Section 21000 et seq.)
For the Woodland Park Euclid Improvements Project

1. Introduction

A public agency may not approve or carry out a project for which an EIR has been certified that identifies one or more significant environmental effects, unless the public agency makes one or more written findings for each of those significant effects. Each finding must be accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines Section 15091).

The City of East Palo Alto (City) prepared a Final Environmental Impact Report (EIR) for the proposed Woodland Park Euclid Improvements Project (Project) in May 2022.

The project is a proposal for a General Plan and zoning amendment that would create a Neighborhood Center Residential Overlay (NCO). The NCO designation would establish new development standards for the property that would be applied to the proposed project. The NCO would allow for neighborhood-serving commercial and community uses on the ground floors, additional housing units, and increased building heights.

With the NCO overlay, the project would demolish and remove 161 existing apartment units and replace all existing structures with three buildings (Buildings A, B and C) supporting 605 residential units ranging in size from studios to 2 bedrooms (two of the units would be 3-4 bedrooms). The project would be divided into two main sections on either side of Euclid Avenue. The south side of Euclid contains the majority of the development (Buildings B and C), including residential structures with a lobby/common area, central parking garage, community space/neighborhood serving retail and open space/park area. Although the building heights vary considerably in design, the tallest structure (Building C) would be up to 13 levels.

The project is proposed to be constructed in a single action, but with primary structures constructed in sequence to allow planned construction staging and flow of materials and equipment. The general sequence of activity would involve demolition, excavation, utility relocation, site grading and foundations, building erection, and final finishes. Construction activities are anticipated to last approximately 18 to 24 months. The Final EIR identified several significant or potentially significant environmental effects associated with project implementation.

The Findings and Statement of Overriding Considerations set forth below (Findings) are presented for consideration by the Planning Commission and adoption by the City Council as the City's independent findings under the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq.).

The Findings provide the written explanation, evidence, reasoning and conclusions of the City regarding the project's environmental impacts, mitigation measures, alternatives, and the overriding

considerations, which in the City’s judgement, justify approval of Woodland Park Euclid Improvements Project despite residual environmental effects.

2. Record of Proceedings and Custodian of Record

For purposes of CEQA and the findings set forth herein, the record of proceedings for the City of East Palo Alto’s findings and determinations consist of the following documents and testimony as compiled for the project:

- The Notice of Preparation (NOP), comments received on the NOP, comments received at the public scoping meeting, and all other public notices issued by the City.
- Draft EIR, associated appendices to the Draft EIR, and technical materials cited in the Draft EIR.
- Final EIR, including comment letters, responses to comments, errata and technical materials cited in the Final EIR.
- Staff reports associated with Planning Commission and City Council hearings on the project.
- Those categories of materials identified in Public Resources Code Section 21167.6, which establishes the contents for the record of proceedings.

The City is the custodian of the administrative record. The documents and materials that constitute the administrative record are available for review at the City of East Palo Alto Community and Economic Development Department, 1960 Tate Street, East Palo Alto, CA 94303.

3. Severability

If any term, provision, or portion of these Findings or the application of these Findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these Findings, or their application to other actions related to the project, shall continue in full force and effect unless amended or modified by the City.

4. Findings for Significant Impacts that Can Be Avoided or Reduced to a Less Than Significant Level with Implementation of Mitigation Measures

Impact AES-3: The project would introduce new sources of light and glare to the project site and project area.
Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
Rationale/Evidence: Mitigation Measure (MM) AES-3.1 requires anti-reflective glass to be incorporated into the project, specifically to minimize reflective glare. Such materials can vary but typically consist of matte or patterned finishes that serve to both reduce reflective glare and reduce risk of bird strike. The East Palo Alto Municipal Code requires that the project’s lighting plan be reviewed and approved for code consistency. These standard and project-specific measures reduce the impact to a less than significant level through project design changes and compliance with existing review procedures, which have been made conditions of project approval.

Impact AQ-2: The project could result in a cumulatively considerable net increase of a criteria pollutant for which the project region is in non-attainment under an applicable federal or State ambient air quality standard.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Standard Condition SC AQ-2.1 and AQ-2.2 require management and specific methods to control construction dust and pollutants and reduce the impact to a less than significant level by lowering the levels of dust and exhaust emissions. The measures are recognized as effective by the Air District and would be included on construction documents and enforceable as conditions of approval and through response to nuisance complaints to a designated compliance monitor.

Impact AQ-3: The project could expose sensitive receptors to substantial pollutant concentrations.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Standard Condition SC AQ-3-1 would require buildings to include air filters with performance standards as part of the ventilation system to reduce particulates. Also, MM AQ-3.1 requires Tier 4 engines in mobile diesel-powered off-road equipment or equivalent. The reduction in particulates has been quantified through detailed modeling. By reducing diesel particulate matter at the source and equipping ventilations systems with air filters, this potentially significant impact to sensitive receptors would be effectively mitigated.

Impact BIO-1: The project could interfere with the movement of native resident or migratory (avian) wildlife and/or associated nursery sites.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM BIO-1.1 requires that all on-site tree removal, demolition and grading occur outside the nesting and breeding seasons to avoid nest disturbance within existing urban trees. As an alternative, the applicant may conduct bird surveys and establish buffer zones around nests, if identified on site. These measures would be effective by directly avoiding potential effects on nesting birds or by protecting nesting birds with the oversight of a professional biologist. These measures have been made conditions of project approval and would work together to provide a rational and enforceable program of impact avoidance.

Impact CR-2: The project has the potential to cause a substantial adverse change to known and unknown archaeological and cultural resources and human remains.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM CR-2.1 and CR-2.2 provide specific direction to construction personnel and the applicant in the event that archaeological resources, tribal cultural resources or human remains are encountered during the construction process. These measures would be effective because they require halting construction, establishing setbacks, avoiding resources and contacting a qualified archaeologist to assess the find prior to continuing with work consistent with State law. These

measures would be applied to construction documents and enforced as conditions of project approval in order to avoid and properly treat and handle archaeological, tribal, and other cultural resources in the event they are encountered.

Impact CR-3: The project has the potential to cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM CR-2.1 and CR-2.2 provide specific direction to construction personnel and the applicant in the event that archaeological resources, tribal cultural resources or human remains are encountered during the construction process. These measures would be effective because they require halting construction, establishing setbacks, avoiding resources and contacting a qualified archaeologist to assess the find prior to continuing with work consistent with State law. These measures would be applied to construction documents and enforced as conditions of project approval in order to avoid and properly treat and handle archaeological, tribal, and other cultural resources in the event they are encountered.

Impact GEO-5: The project is located on a geologic unit or soil that could be either unstable, or that could become unstable as a result of the project, and potentially result in on-or off-site landslide, lateral spreading, subsidence, liquefaction, collapse or expansive soils.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM GEO-5.1 requires a construction-level geotechnical evaluation to ensure that all standards and recommended engineering solutions related to geologic and soil stability are incorporated to meet State and local building codes. Application of this required evaluation in the design and construction process pursuant to building codes would effectively mitigate these potential risks.

Impact GEO-6: The project could directly or indirectly destroy a unique paleontological resource or site or unique geologic features during construction.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM GEO-6.1 specifies actions that must take place in the event that fossils or fossil-bearing deposits are identified during construction. The measure requires a work stoppage and a buffer zone around the find and a professional assessment of the resources consistent with the Public Resources Code. This measure would be effective because it is proportional to the likelihood of a paleontological find, and specifies techniques to protect and/or preserve any such resource. This measure would be applied to construction documents and enforced as conditions of project approval in order to avoid and properly treat and handle paleontological resources.

Impact GHG-1: The project could generate greenhouse gas emissions, either directly or indirectly, that could have a significant impact on the environment.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM GHG-1.1 requires approval and implementation of a commute trip reduction/transportation demand management (TDM) plan. This plan provides specific performance standards and measures for reducing project related vehicle trips, which in turn would reduce criteria pollutants and greenhouse gas emissions to less than significant levels. This plan is a condition of project approval and requires annual monitoring for effectiveness.

Impact HAZ-1: The project has the potential to create a hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM HAZ-1.1 would effectively mitigate this impact to a less than significant level by implementing an asbestos operation and management plan that includes specific measures for the protection of employees, handling and management of contaminated materials associated with demolition. MM HAZ-1.2 similarly requires implementation of a lead-based paint and PCB operation and management plan that includes specific measures and recommendations to handle and manage those contaminants. These measures would be effective to mitigate risk of hazards because they require review by the City prior to implementation, and consistency with State and local codes. These plans would be made conditions of approval on final plans and implemented during construction.

Impact HAZ-2: The project could create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM HAZ-1.1 would effectively mitigate this impact to a less than significant level by implementing an asbestos operation and management plan that includes specific measures for the protection of employees, handling and management of contaminated materials associated with demolition. MM HAZ-1.2 similarly requires implementation of a lead-based paint and PCB operation and management plan that includes specific measures and recommendations to manage those contaminants. These measures would be effective to mitigate risk of hazards because they require review by the City prior to implementation, and consistency with State and local codes. These plans would be made conditions of approval on final plans and implemented during construction. materials, and are enforceable as a conditions of project approval during construction.

Impact HAZ-3: The project would handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM HAZ-1.1 would effectively mitigate this impact to a less than significant level by implementing an asbestos operation and management plan that includes specific measures for the protection of employees, handling and management of contaminated materials associated with

demolition. MM HAZ-1.2 similarly requires implementation of a lead-based paint and PCB operation and management plan that includes specific measures and recommendations to manage those contaminants. These measures would be effective to mitigate risk of hazards because they require review by the City prior to implementation, and consistency with State and local codes. These plans would be made conditions of approval on final plans and implemented during construction. materials, and are enforceable as a conditions of project approval during construction.

Impact N-1: The project would generate a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM N-1.1 provides a series of standard measures to reduce temporary construction noise. These measures focus on compliance with the City Municipal Code and General Plan. Construction noise can be effectively addressed through construction timing, equipment maintenance, and placement of equipment. The quantitative analysis in the EIR demonstrates that these measures reduce the impact to a less than significant level by physically reducing noise levels and by avoiding the generation of excessive noise. Both measures are enforceable as conditions of approval and included in construction documents.

Impact TRA-2: The project could substantially increase hazards due to a geometric design feature or incompatible use.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM TRA-2.1 requires in installation of specific traffic calming measures at Bayshore Road/Manhattan Avenue to reduce speeds and improve safety near the main project driveway. These physical measures, recommended by a transportation engineer and reviewed by the City Engineer, would effectively improve safety by adding signage and reducing speeds in this location. The measures are required as part of the final improvement plans and are enforceable as conditions of project approval.

Impact UTIL-1: The project will require construction to connect and/or upgrade service systems to service the project.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM AES-2.1, SC AQ-2.1, MM AQ-3.1, MM GHG-1.1, MM HAZ-1.1, MM HAZ-1.2, and MM N-1.1 are the mitigation measures of the Final EIR that directly address construction-related impacts. As the construction of project utility and service systems are directly related to and incorporated into the overall development and construction program for the project, these measures would effectively reduce or eliminate construction-related effects for the same reasons explained elsewhere in these Findings.

Impact UTIL-5: The project could contribute to cumulatively considerable utilities and service system impacts.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM AES-2.1, SC AQ-2.1, MM AQ-3.1, MM GHG-1.1, MM HAZ-1.1, MM HAZ-1.2, and MM N-1.1 are the mitigation measures of the Final EIR that directly address construction-related impacts on both a project-specific and cumulative level. As the construction of project utility and service systems are directly related to and incorporated into the overall development and construction program for the project, these measures would effectively reduce or eliminate construction-related effects for the same reasons explained elsewhere in these Findings.

4. Findings for Significant Impacts that Cannot Be Avoided or Reduced to a Less Than Significant Level (Significant and Unavoidable Effects)

Impact AES-2: The project could potentially conflict with existing zoning for this urban area that governs scenic quality.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: Mitigation Measures MM AES-2.1 and AES-2.2 require construction screening around the site to soften visual effects and to screen the visibility of the proposed water tank. These specific measures would effectively mitigate visual changes related to the water tank and temporary construction effects at the site. However, the Final EIR finds that the zoning change requested would lead to substantial intensification of development in this portion of the City, and in turn may conflict with zoning and code requirements that govern scenic quality. The overall change in allowable density and height is significantly and fundamentally different than the existing development pattern and the contrast between the existing and resulting urban form.

Alternatives to address the overall size and mass of the proposal – through transferring heights between buildings and reducing the scale of the project - were provided and analyzed in the Final EIR. However, the Final EIR concluded that these concessions would not reduce the primary impact of visual change and character to a less than significant level. Please see Statement of Overriding Considerations below.

Impact UTIL-3: The wastewater treatment provider, via the Palo Alto Regional Water Quality Control Plant (PARWQCP), has sufficient capacity within its treatment system to accommodate the project. However, deficiencies have been identified in the capacity of the wastewater conveyance system that could be further affected by the project.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: Mitigation Measure MM UTIL-3.1 requires either fair-share funding toward sewer infrastructure improvements, direct construction of improvements, or a combination of both based on the project's contribution. However, the Final EIR found that even with this mitigation and nexus to the project, other deficiencies within the City's sewer system would not be fully addressed

by the project and therefore the project's impact to these deficiencies would remain significant. An alternative to the project – to connect to the West Bay Sanitation District – could effectively address this impact. However, the feasibility of alternative is not assured given the potential legal, political, technological, and engineering challenges to be addressed.

Please see Statement of Overriding Considerations below.

5. Findings for Significant Cumulative Effects

The Final EIR discusses the project's potential cumulative effects consistent with CEQA Guidelines Section 15130. This discussion considers the project's incremental contribution to potentially significant impacts when combined with other past, present and/or probably future projects within relevant geographic limits. The Final EIR concluded that no specific or unique cumulatively considerable impacts would be triggered by the project when combined with other cumulative development projects being implemented or considered. While sewer capacity issues have been identified as significant and unavoidable at the project level, mitigation measure MM UTIL-3.1 effectively addresses the project's cumulative contribution to this existing deficiency by contributing fair share funding and/or physical infrastructure improvements toward a common engineering solution to be shared by the City and other development.

6. Findings Regarding Significant Irreversible Environmental Changes Which Would be Caused by the Project Should it be Implemented

Section 15126.2(d) of the State CEQA Guidelines requires an EIR for certain projects to discuss the significant irreversible environmental changes that would result from implementation of a proposed Project. This discussion focuses on the commitment or use of nonrenewable resources during project construction and operation.

Construction of the proposed project would require the commitment of a variety of non-renewable or slowly renewable natural resources such as lumber and other forest products, sand and gravel, asphalt, petrochemicals, and metals. The City of East Palo Alto finds such commitments insignificant for the following reasons:

1. The project is located in a developed urban area and will not convert prime agricultural land, preclude access to mineral resources, or otherwise commit ongoing or large quantities of nonrenewable resources (through removal or nonuse).
2. None of the resources required for construction are unique, rare or in danger of being depleted by the project.
3. Use of defined water resources would not deplete or threaten existing supplies of surface or groundwater resources.
4. The project does not include components (such as a highway or roadway that provides access to a previously inaccessible area) that would lead to associated secondary impacts or commit future generations to such irreversible changes.

5. The project would not lead to irreversible damage from environmental accidents because the proposed residential and retail uses do not present such risks.

7. Findings Regarding Potential Growth Inducing Effects

CEQA defines a project as growth inducing if it “could foster economic or population growth, or the construction of additional housing either directly or indirectly, in the surrounding environment”. Similarly, under CEQA, a project would indirectly induce growth if it would remove an obstacle to additional growth and development, such as removing a constraint on a required public service. Increases in population could tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects.

The City of East Palo Alto finds the following regarding the project’s potential growth inducing effects:

The Woodland Park Euclid Improvements Project would directly induce growth within the community by increasing the development intensity on the subject parcels and increasing the total number of apartments in this location by up to 444 units.

The project could also induce growth indirectly by making certain infrastructure improvements, specifically increased water system capacity for municipal storage and fire flow, that could improve water reliability on the Westside. The project’s infrastructure upgrades would accommodate the project but would also be considered a public benefit to address existing system constraints on the Westside. With improved infrastructure systems and utility capacity, barriers to further intensification may be removed to some degree, allowing for other projects to move forward on the Westside and elsewhere.

A second source of indirect growth inducement may also occur because the project may serve as a catalyst for new redevelopment and intensification efforts on the Westside. A well-designed project of this size, if successfully implemented, could conceivably stimulate the market for similar projects on other Westside properties. If such projects are constructed at a higher density than existing development and existing zoning, the project could be considered growth inducing.

These potential scenarios for growth inducement, however, are consistent with the vision of the Westside Area Plan (WAP). While the WAP does not prescribe a specific level of intensification the policies within the plan clearly envision higher densities with a high level of architectural quality and design and community benefits. Such benefits include expanding the City’s inventory of affordable housing opportunities.

The environmental implications of land use intensification on the Westside would be evaluated on a project-specific and cumulative basis as projects are processed and evaluated under CEQA. The General Plan EIR also considered assumptions and changes in land use at a programmatic level. While the project could result in growth inducing environmental effects, such effects have been anticipated within the framework of the City’s planning efforts in the Westside and city-wide.

8. Findings Regarding Project Alternatives

Consistent with CEQA Guidelines Section 15091 (c), the City of East Palo Alto makes the following findings regarding the alternatives considered in the Final EIR:

1. No Project Alternative. The No Project alternative would be environmentally superior but meets none of the stated objectives of the project. The neighborhood would be maintained and operate similar to existing conditions, buildings would continue to age and require continued maintenance, and no specific public benefits or infrastructure improvements would be realized. For this reason, the alternative has been rejected.
2. Alternative A, Transfer of Heights. This alternative would consolidate and concentrate the higher building elements of the project near the freeway. The total number of apartment units and parking spaces is assumed to be the same as the proposed project, but in a different configuration that raises Building C significantly. The purpose of this alternative is to address community character concerns of project bulk and mass within the existing neighborhood by reducing the height of Buildings A and B within the neighborhood.

Alternative A would meet most or all of the primary project objectives, but it would result in potentially greater impacts to aesthetics in comparison to the other alternatives. While this alternative would concentrate the higher elements near the freeway, it would be considerably more visible and prominent from many vantage points and extend the project's shadows. For these reasons, Alternative A is not environmentally superior to the proposed project or the other alternatives and therefore has been rejected.

3. Alternative B: Reduced Scale Alternative. Under this alternative, Buildings B and C essentially become one large 8-story structures 81 feet high, eliminating the "high rise" that was Building C. Building A west of Euclid Avenue would remain unchanged. This alternative would result in approximately 460 apartment units (a 24 percent reduction) and 480 parking spaces within the parking structure.

This alternative would meet some, but not all, of the project objectives regarding affordable housing; however, community benefits and open space objectives would be difficult to meet. Alternative B would incrementally reduce the overall visual impact of the proposal through the elimination of the high-rise tower and by providing less intensification within the existing neighborhood. With less intensification, this alternative would incrementally reduce demands on infrastructure and public service systems and reduce vehicle miles travelled, which translates to a reduction in air quality and GHG emissions, noise, and traffic operational effects. As a tradeoff for reduced development intensity, community benefits (e.g. affordable housing commitments, commercial areas, park and community space, and/or larger infrastructure improvements) are also assumed to be reduced, which could reduce or eliminate some of the basic project objectives and intentions regarding these benefits. Alternative B would not, however, fully mitigate the significant and unavoidable effects associated with visual resources, aesthetics and community character as identified in this Draft EIR. And despite the reduction in

intensity, Alternative B would still exacerbate capacity constraints on the sewer system. For these reasons, the alternative has been rejected.

4. Alternative C: Water System Intertie Alternative. This alternative would eliminate the construction of the 1.5-million-gallon water tank proposed at 375 Donohoe Street. As an alternative to that infrastructure improvement, the applicant would complete an emergency intertie with the City of Palo Alto's water system at University Avenue. All other aspects of the project would remain the same.

This alternative is more narrowly focused on key infrastructure systems and improvements. As such, the alternative would meet the basic objective of improving water infrastructure on the West Side. Alternative C would have some environmental benefits, as it would slightly reduce the project's effects related to aesthetics, air quality, cultural and tribal cultural resources, energy, greenhouse gas emissions, hydrology and water quality, and noise related to construction and operation of the 1.5-million-gallon water tank at 375 Donohoe Street. However, these effects would only be reduced by a matter of degree, and impact reduction would be very localized to the parcels immediately adjacent to this parcel. This alternative would not reduce the significant unavoidable effect of the project related to visual resources, but it would reduce visual impacts incrementally and would avoid additional tree removal (without construction of the tank).

5. Alternative D: West Bay Sanitation District Connection. This alternative would convey wastewater from the project site approximately 4,000 linear feet to the north, to a new connection point with existing WBSD conveyance infrastructure. To make this connection, the project would require an on-site pump station and construction of a project-specific force main under US 101 to Donohoe Street.

This alternative is focused on key infrastructure systems and improvements to avoid existing constraints. As such, the alternative would meet the basic objective of improving wastewater service on the West Side and all other project objectives. Alternative D, West Bay Sanitation District Connection, would be the Environmentally Superior Alternative. This alternative would directly address and mitigate one the project's otherwise unavoidable impacts (sewer capacity). The potential impacts of the remaining areas of study are very similar to the project. However, due to certain political (District, LAFCO) circumstances and engineering constraints, implementation of this alternative faces feasibility challenges that would need to be resolved.

5. Statement of Overriding Considerations

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposal project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the Final EIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record (CEQA Guidelines Section 15093).

The City of East Palo Alto concludes that the project's relative benefits outweigh its residual environmental effects for the following reasons:

1. Consistency with Overall Vision of the General Plan and Westside Area Plan. Under the City of East Palo Alto's existing General Plan Vision 2035, the subject properties have designations of High Density Residential (HDR, 22-43 du/ac) or Urban Residential (UR, 43-86 du/ac). High Density Residential allows a range of multi-family housing types ranging from townhomes to multi-family apartments at moderate to high densities. The purpose of this designation is to provide for higher density multi-family housing to meet the City's desire for a variety of housing types. This designation is located in areas with a diverse mix of uses within walking distance of homes, as well as in neighborhoods that already exhibit a high degree of diversity in the type and density of residential housing.

The Westside Area Plan provides a detailed vision, guiding principles, and goals and policies for the Westside area of East Palo Alto, but is less prescriptive. The Plan focuses on tools to preserve a stock of affordable housing and improve the quality of life for residents. The Westside Area Plan guidelines seek to avoid displacement, provide affordable rental housing, maintain population diversity, improve housing quality, maintain diversity of housing types and unit sizes, and beautify the Westside. The Plan contains specific project application requirements for development projects within its boundaries, particularly projects that proposed to intensify land uses.

The project would create a Neighborhood Center Residential Overlay (NCO) designation as an amendment to the General Plan. This General Plan Amendment and zoning overlay would allow for neighborhood-serving commercial and community uses on the ground floor, additional housing units beyond current densities, and increased building heights on High Density Residential (HDR) and Urban Residential (UR) land use designations that underly the NCO overlay designation. As proposed, allowed uses under the NCO overlay could include high-density, multi-family dwellings such as rental apartments, condominiums, single room occupancy (SRO) developments, neighborhood-serving commercial, and parks/plazas/open space, education, cultural, public assembly, and public uses. Other uses may be allowed if they are compatible and serve the needs of residents living in the higher-density residences. All uses, densities, building heights and resulting building form created the NCO overlay would be specific to the project site and reviewed against those specific development standards as adopted. However, all other standard ordinances and City and State performance standards remain applicable.

Upon review of the General Plan land use and urban design policies that address environmental protection (as well as additional policies throughout the chapters the Final EIR), there is no

indication that the project, as mitigated, would be in direct conflict with these guiding policies. For example, the project:

- Does not conflict with any protected natural resource areas.
- Seeks to maintain an urban form and land use pattern that enhances the quality of life.
- Would expand the number, types and diversity of housing.
- Improves the City's image and physical appearance through design.

Because the project as proposed is fundamentally compatible with the environmental objectives and vision of the General Plan and Westside Area Plan, the residual environmental effects - significant changes in visual character due zoning changes and near-term sewer capacity – are considered acceptable environmental consequences. The project would implement this vision as adopted by the City. In terms of sewer system capacity, the City and project developers are actively working with EPASD and WBSD on engineering solutions identified in master plan documents are that are understood to be cumulative issues that will ultimately be addressed by public/private partnerships to service future growth in East Palo Alto consistent with adopted plans and programs.

2. Improved Housing Stock. The project as proposed would replace 161 existing apartment units that are at the end of their physical design life. Replacement of these units, in addition to up to 444 additional new units, would improve the overall quality of the City's housing stock for both existing residents and new residents. The social and quality of life benefits of these units would outweigh the residual environmental effects related to visual character and near-term sewer constraints.
3. Economic Benefits to the City of East Palo Alto. The residential and commercial uses would generate significant annual property taxes, and to a lesser degree sales tax. These direct economic benefits to the City's annual budget would provide greater opportunity for enhanced City services, programs, and capital improvements. The project would also generate hundreds construction jobs over a 2+ year period, providing local and region-wide employment opportunities. The scale of these economic benefits would outweigh the residual environmental effects related to visual character and near-term sewer constraints.
4. Affordable Housing and Community Benefits. The project as proposed would result in a significant net increase in affordable housing and would maintain rent stabilized housing consistent with the City's Inclusionary Housing Ordinance. Providing these housing opportunities in the City is consistent with the goals of the General Plan and Westside Area Plan, without displacing existing residents. In addition, the project would result in a new water tank to improve the City's fire flow and storage needs, would provide common urban open space within the project, and would contribute financially toward improving the City's infrastructure and public service needs. The social, economic and technological benefits of these components of the project would outweigh the residual (unavoidable) environmental effects related to visual character and near-term sewer constraints.

ATTACHMENT C

Draft EIR:

https://www.cityofepa.org/sites/default/files/fileattachments/planning/project/19555/woodland_park_euclid_improvements_deir_june_2021.pdf

ATTACHMENT D

Final EIR and MMRP:

https://www.cityofepa.org/sites/default/files/fileattachments/planning/project/19369/euclid_feir_mmrp.pdf

RESOLUTION NO. ____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO AMENDING THE EAST PALO ALTO VISTA 2035 GENERAL PLAN TO ADD THE NEIGHBORHOOD CENTER OVERLAY LAND USE DESIGNATION AND TO APPLY THE OVERLAY DISTRICT TO CERTAIN PROPERTIES

WHEREAS, the Planning Commission of the City East Palo Alto considered adoption of an amendment to the General Plan to add the land use designation of Neighborhood Center Overlay (NCO) to provide for higher density residential development and to permit neighborhood service uses; and

WHEREAS, the Planning Commission considered adoption of an amendment to the General Plan to specifically add the Neighborhood Center Overlay designation to existing land use designations for certain properties currently designated as High Density Residential and Urban Residential bounded by O’Connor Street, Euclid Ave, Manhattan Ave, and West Bayshore Road; and High Density Residential and Urban Residential properties fronting Euclid Avenue between O’Connor Street and East O’Keefe Street; and

WHEREAS, the provisions of the Government Code section 65350, et. seq. regarding amendment to the General Plan have been complied with; and

WHEREAS, the City Council of the City of East Palo Alto has considered the recommendation of the Planning Commission concerning amending the General Plan;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO THAT IT HEREBY:

1. Adds the Neighborhood Center Overlay land use designation, as set forth in Exhibit “A,” to the East Palo Alto Vista 2035 General Plan, and
2. Revises the land use designations to High Density Residential – Neighborhood Center Overlay and Urban Residential – Neighborhood Center Overlay for the project sites described in Exhibit “B”.

BE IT FURTHER RESOLVED THAT this resolution shall take effect upon the effective date of Ordinance No. _____ amending Title 18 of the East Palo Alto Municipal Code and Ordinance No. _____ rezoning the designated properties. In the event such ordinances do not become effective, this resolution shall be void and of no legal effect.

BE IT FURTHER RESOLVED THAT the environmental effects of the Neighborhood Center Overlay land use designation were analyzed for the project sites described in Exhibit "B" in the Environmental Impact Report (EIR) (SCH#2020040270) and Mitigation Monitoring and Reporting Plan, which were certified and approved by the City on September 20, 2022. Future applications for General Plan land use designation changes to the High Density Residential – Neighborhood Center Overlay or Urban Residential – Neighborhood Center Overlay are not reasonably foreseeable and therefore would be required to complete additional environmental review.

Attachment: General Plan Amendment Resolution (2406 : Woodland Park Euclid Improvements)

ADOPTED on this ____ day of _____ 2022, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNED:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin
City Clerk

Valerie J. Armento
Interim City Attorney

Attachment: General Plan Amendment Resolution (2406 : Woodland Park Euclid Improvements)

EXHIBIT A

City of East Palo Alto General Plan 2035, Chapter 4 Land Use and Urban Design, Land Use Designations, is amended to include the Neighborhood Center Overlay as follows:

Neighborhood Center Overlay (NCO)

Description: This overlay designation is intended to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses in limited locations in the City and is consistent with Figure 11-12 of the Westside Area Plan and with Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5. This designation is intended to be applied on a project-by-project basis and may only be combined with High Density Residential and Urban Residential land use designations. Mid-rise and high-rise residential development is encouraged, ideally supported by high-frequency public transit and located within walking distance of neighborhood services and amenities. Parking structures shall be designed so that they do not face the primary public streets.

Allowed Land Uses: High-density multiple-family dwellings, such as rental apartments, condominiums, and single room occupancy (SRO) developments with neighborhood-serving retail and other uses such as day care centers and public facilities may be allowed if they are compatible and serve the needs of residents living in higher density residences.

Density/Intensity: 86.1 - 175 units/acre, or 250 to 525 persons/acre. Maximum height of 13 stories and 135 feet.

Table 4-2 of the East Palo General Plan shall be amended to read as follows (added text shown in underline):

Table 4-2: Land Use Classification System			
Major Classes	Maximum Density / FAR	Land Use Designation and Summary Description	Maximum Building Height (see zoning code for further restrictions and standards)
RESIDENTIAL	0 – 12 du/a	Low Density Residential (R-LD). Single-family dwellings, with 2nd units allowed on some parcels.	Maximum height of 2 stories and 26 feet.
	12 – 22 du/a	Medium Density Residential (R-MD). A range of multi-family residential uses including second units, single-family, duplex, triplex, quadplex, rowhouses, courtyard buildings and small-scale multi-family buildings.	Maximum height of 3 stories and 36 feet.
	22 – 43 du/a	High Density Residential (R-HD). A range of multi-family housing types ranging from townhomes to multi-family apartments at moderate to high densities.	Maximum height of 5 stories and 60 feet.
	43 – 86 du/a	Urban Residential (R-UHD). High-density multi-family dwellings (apartments, condos, and SROs).	Maximum height of 7 stories and 75 feet.
	86 – 175 du/a	Neighborhood Center Overlay (NCO). Very high-density multi-family dwellings (apartments, condos, and	Maximum height of 13 stories and 140 feet.

Attachment: General Plan Amendment Resolution (2406 : Woodland Park Euclid Improvements)

		<u>SROs) and neighborhood-serving retail.</u>	
COMMERCIAL	Up to 22 du/a; 1.0 FAR	Neighborhood Commercial (NC). Local-serving retail, services and related uses.	Maximum of 3 floors or 36 feet.
	Up to 2.0 FAR	General Commercial (GC). Regional retail, office, and service-oriented business activities serving a community-wide population or broader market.	Maximum of 3 stories and 75 feet.
	Up to 3.0 FAR	Office (OC). Single-tenant or multi-tenant offices that include professional, legal, medical, financial, corporate and general business offices.	Maximum of 8 stories or 100 feet, whichever is greater.
MIXED USE	Up to 22 du/a; 1.0 FAR	Mixed Use Low (MUL). Low-density mixed-use.	Maximum of 3 stories and 36 feet.
	Up to 65 du/a; 1.75 FAR	Mixed Use Corridor (MUC). Multi-story mixed-use buildings.	Maximum 5 stories or 60 feet.
	Up to 86 du/a; 2.5 FAR	Mixed Use High (MUH). Multi-story mixed-use buildings at a larger scale than MUC.	Maximum of 8 stories or 100 feet, whichever is greater.
INDUSTRIAL	Up to 1.0 FAR	General Industrial (I-G). Industrial (storage and manufacturing), and R&D (lab/medical).	Maximum of 3 stories or 30 feet.
	Ranges from 0.75 to 3.0 FAR	Industrial Buffer (I-B). High-quality office buildings, along with a limited range of manufacturing and repair businesses.	Maximum of 8 stories or 100 feet. Maximum height within 200 feet of University Village area is 3 stories above grade.
COMMUNITY	Determined during approval	Parks/Recreation/Conservation (PRC). Public recreational uses, including park and open space.	n/a
	N/A	Resource Management (RM). Preservation of sensitive open space lands in a natural condition.	n/a
	N/A	Public/Institutional (PI). Education, city buildings, fire/police stations, & other uses.	n/a

EXHIBIT B

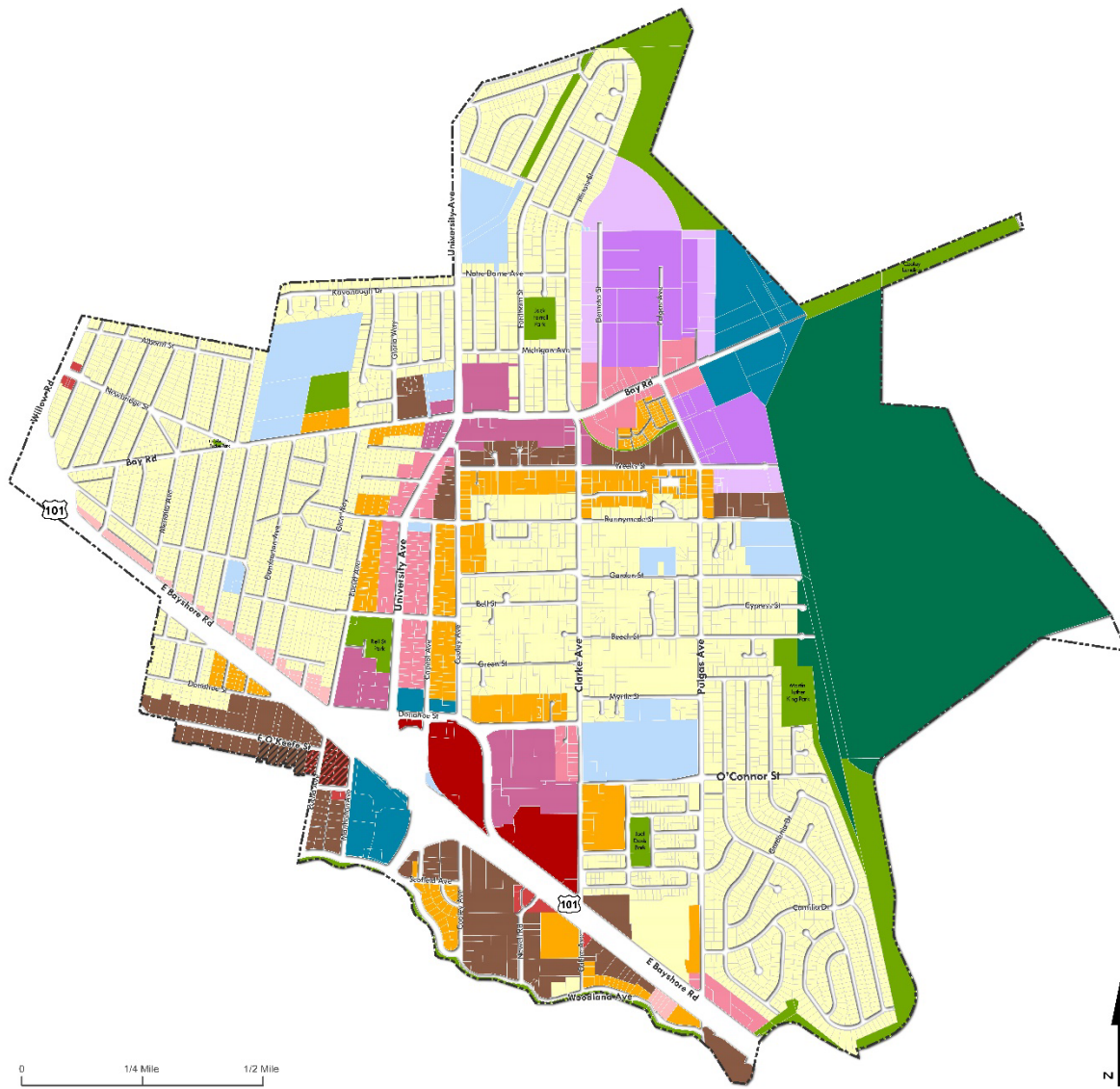
The City of East Palo Alto General Plan 2035 Land Use Designations Figures (Figures 4-2 and 4-2C) are hereby amended to change the Land Use Designation from “High Density Residential (R-HD)” to “High Density Residential – Neighborhood Center Overlay (R-HD-NCO)” and from “Urban Residential (R-UHD)” to “Urban Residential – Neighborhood Center Overlay (R-UHD-NCO)” on an approximately 3.92-gross-acre site bounded by Manhattan Avenue, West Bayshore Road, and O’Connor Street and bisected by Euclid Avenue, as set forth in Table B-1 and as depicted in Figure 4-2 and Figure 4-2C.

Table B-1: Amended General Plan Land Use Designation by Parcel Number













Assessor’s Parcel No.	Existing Land Use Designation	Amended Land Use Designation
063-282-010	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay ((R-HD(NCO))
063-282-020	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-030	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-040	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-050	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-060	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-070	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-282-080	Urban Residential (R-UHD)	Urban Residential (Neighborhood Center Overlay) (R-UHD(NCO))
063-282-090	Urban Residential (R-UHD)	Urban Residential (Neighborhood Center Overlay) (R-UHD(NCO))
063-281-020	Urban Residential (R-UHD)	Urban Residential (Neighborhood Center Overlay) (R-UHD(NCO))
063-281-030	Urban Residential (R-UHD)	Urban Residential (Neighborhood Center Overlay) (R-UHD(NCO))
063-281-040	Urban Residential (R-UHD)	Urban Residential (Neighborhood Center Overlay) (R-UHD(NCO))
063-281-100	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))
063-281-110	High Density Residential (R-HD)	High Density Residential (Neighborhood Center Overlay) (R-HD(NCO))

Figure 4-2: General Plan Land Use Designations shall be amended as follows:

General Plan Land Use Designations



LEGEND

- | | |
|---|---|
|  Low Density Residential |  General Commercial |
|  Medium Density Residential |  Neighborhood Commercial |
|  High Density Residential |  Office |
|  Urban Residential |  General Industrial |
|  Mixed Use Low |  Industrial Buffer |
|  Mixed Use Corridor |  Resource Management |
|  Mixed Use High |  Parks/Recreation/Conservation |
|  Neighborhood Center Overlay |  Public/Institutional |

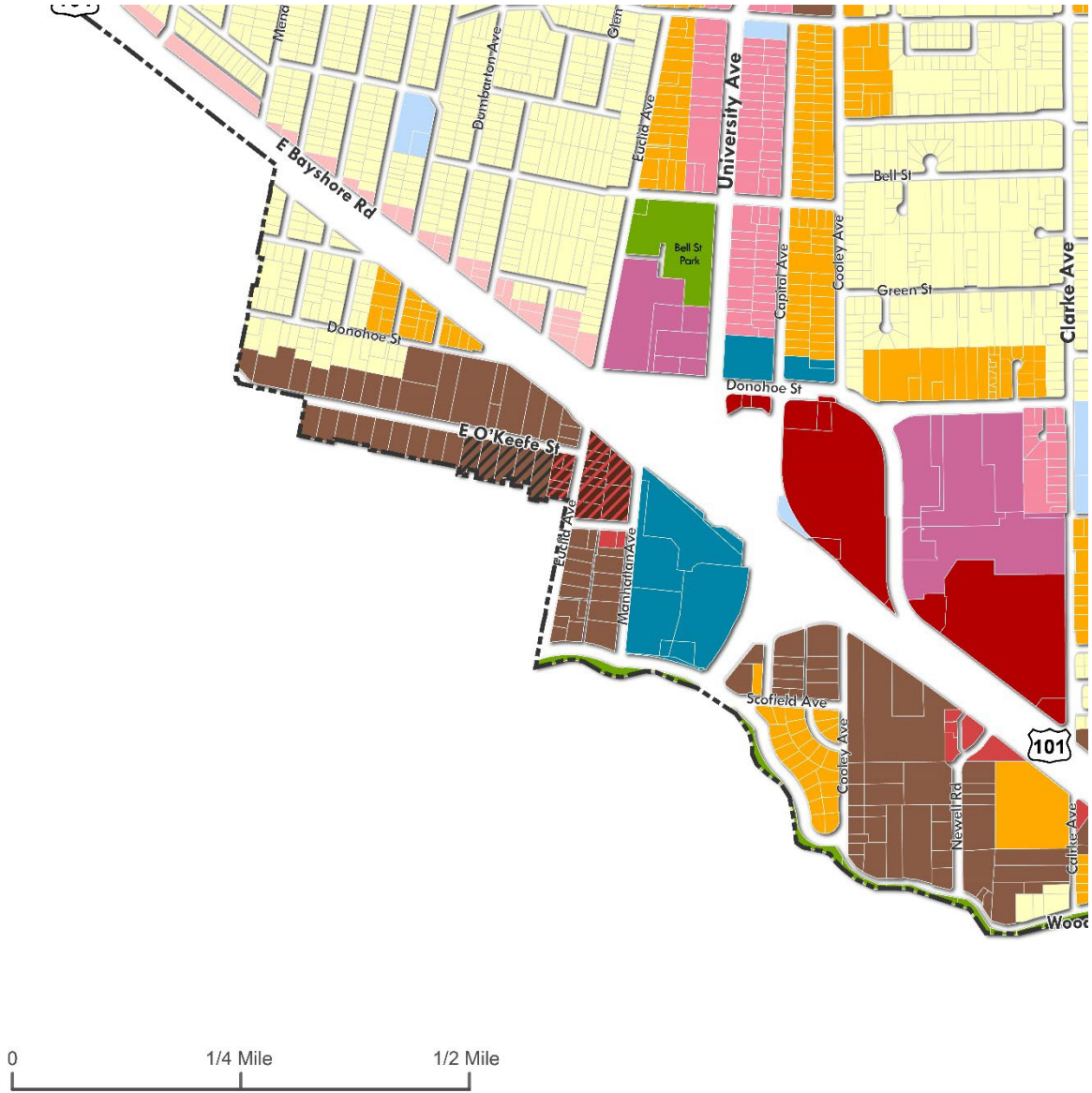


Source: 2000/2010 U.S. Census, San Mateo County
GIS Enterprise Database and Santa Clara County, 2012.



Attachment: General Plan Amendment Resolution (2406 : Woodland Park Euclid Improvements)

Figure 4-2C: General Plan Land Use Designations, Southwest shall be amended as follows:



ORDINANCE NO. ____

**AN ORDINANCE OF THE CITY COUNCIL
OF THE CITY OF EAST PALO ALTO**

**ADOPTING DEVELOPMENT CODE TEXT AMENDMENT (ZC19-002) AMENDING TITLE
18 (ZONING) OF THE EAST PALO ALTO MUNICIPAL CODE TO ADD THE
NEIGHBORHOOD CENTER OVERLAY DISTRICT**

WHEREAS, Section 18.114 of the City of East Palo Alto Development Code allows for amendments to the Development Code and provides procedures for processing such amendments;

WHEREAS, Section 18.114.060 of the City of East Palo Alto Development Code sets forth findings for Development Code amendments;

WHEREAS, the Planning Commission concurrently reviewed a General Plan, the Development Code amendment and a Zoning Map amendment at a duly noticed public hearing on July 25, 2022; and

WHEREAS, the Planning Commission found that the Development Code amendment met the required findings, and recommended the City Council adopt the amendment; and

WHEREAS, the City Council at a duly noticed public hearing, found that the Development Code amendment met the required findings, and approved the proposed amendment on September 20, 2022, after continuing the public hearing from September 6, 2022.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. CHAPTER 18.11 ADDED

Chapter 18.11 is hereby added to the East Palo Alto Municipal Code to read:

Chapter 18.11 -- OVERLAY ZONES

Sections:

18.11.010 – Purpose and Intent.

A. The purpose of an overlay zoning district is to allow the City to establish special land use regulations, standards, or procedures in areas with unique land use, site planning, building design, or environmental resource issues. An overlay zoning district also is an appropriate mechanism to implement long-term goals and land use requirements for

a specific property or location and is intended to be applied only where special circumstances justify the modification of base zoning district regulations to achieve specific land use and design objectives. Overlay zoning districts are established through rezoning and only in conjunction with base zoning districts. Except as modified by the overlay zoning district, the provisions of the applicable base-zoning district apply to all development within the boundary of the designated area. If regulations conflict, the applicable overlay zoning district regulations shall prevail.

B. Whenever an overlay district is established, any subsequent change to the base-zoning district shall not be construed to alter the overlay district. Projects must meet general plan requirements for increases in intensity. An intent to alter the overlay district on a given property requires an application.

18.11.020 – Neighborhood Center Overlay (NCO) Zone.

A. The Neighborhood Center Overlay (NCO) Zone provides for additional residential density in the Multiple-Family High Density Residential Zone (subzone R-HD-5) and the Multiple-Family Urban High Density Residential Zones (R-UHD), as well as ground floor neighborhood service uses to serve the needs of residents living in the higher density dwellings. This zone implements the NCO land use designation in the General Plan.

B. The NCO Zone shall apply to properties identified on the zoning map by the symbol “NCO” within parentheses, following the R-HD-5 or R-UHD designation. The development standards established by this chapter shall apply in lieu of the comparable standards established for the underlying R-HD-5 or R-UHD zone.

C. The NCO Zone may only be applied to properties in the Westside Area designated as eligible for increases in intensity on a “project-by-project basis” as set forth by Westside Area Plan Policy 5.4 and Figure 11-12.

D. The NCO Zone may only be applied to properties zoned R-HD-5 or R-UHD that do not adjoin parcels zoned R-LD or R-MD.

E. The NCO Zone may not be applied to any parcels with frontage within 100 feet of the centerline of San Francisquito Creek.

18.11.030 – Land Use Regulations and Allowable Uses

A. **Permitted uses.** Neighborhood services uses no greater than 5,000 square feet in size shall be permitted in addition to the land uses permitted and conditionally permitted in the underlying R-HD-5 or R-UHD zoning district shown in Section 18.10.020, Table 2-1.

B. **Additional Regulations.** Regulations applicable to the underlying R-HD-5 or R-UHD zone that are not in conflict with the provisions of this chapter shall apply. Provisions

elsewhere in the Development Code also may apply.

C. **Permit Processing.** All permit processing procedures, as applicable, set forth in Article 7 of the Development Code are required.

18.11.040 – Development Standards

For properties within the NCO Zone, the requirements set forth in Section 18.10.030, Table 2-2 for the R-HD-5 and R-UHD zones, as applicable, shall apply except as amended by the NCO Zone standards set forth in Table 2-2.1 below.

Table 2-2.1 Development Standards for NCO Zone	
Development Feature (minimum unless otherwise indicated)	NCO
Density	175 du/acre (maximum)
Setbacks	
Front	5 ft.
Corner vision triangle	12 ft.
Side/Street Side	5 ft.
Rear	10 ft.
Height	13 stories or 140 feet, whichever is greater ¹
Open Space²	
Common Open Space	50 sq. ft.
Private Open Space	
Ground Floor Units	50 sq. ft.
Upper Floor Units	50 sq. ft.
Parking	Chapter 18.30 ³

Notes:

1. Height regulations related to mechanical screening and equipment from Municipal Code Section 18.22.030 and 18.22.040 shall apply.
2. Common Open Space and Private Open Space may be aggregated without limitation
3. Municipal Code Section 18.30.080(B) shall not apply in the NCO overlay for any project with an approved Parking Study and Transportation Demand Management (TDM) Plan submitted pursuant to Municipal Code Section 18.32 that utilizes unbundled parking as a TDM measure.

18.11.050 – Required Determinations

Prior to the Planning Commission recommending approval of any NCO district application and prior to the City Council approving an ordinance designating and regulating any NCO district, all of the following findings must be made with respect to the proposal, in addition to findings required by Chapter 18.114:

- A. The project does not displace existing residents.
- B. The project provides income-restricted affordable housing consistent with City's Inclusionary Housing Ordinance (Chapter 18.37 of the East Palo Alto Municipal Code).
- C. The project preserves "right of return" for existing residents if demolition of existing residential units is proposed.
- D. The project maintains the City's rent stabilization program, where applicable.
- E. The project contributes to the provision of new parks and open spaces.
- F. The project contributes to the provision of new streets and infrastructure.
- G. The project improves the fiscal health of the City.
- H. The project enhances the area for residents.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

The environmental effects of the Woodland Park Euclid Improvements Project and its associated zone change were analyzed in the Environmental Impact Report (EIR) (SCH# 2020040270) and Mitigation, Monitoring, and Reporting Program, which were certified and approved by the City on September 20, 2022. Future applications for zone changes to the NCO Zone are not reasonably foreseeable and therefore would be required to complete additional environmental review.

SECTION 3. SEVERABILITY.

If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 4. EFFECTIVE DATE.

This Ordinance shall take effect and be in full force thirty (30) days after the date of its adoption.

SECTION 5. PUBLICATION.

The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held September 20, 2022, and

PASSED AND ADOPTED at a regular City Council meeting held on _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:
ABSTAIN:

SIGNED:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Development Code Amendment Ordinance (2406 : Woodland Park Euclid Improvements)

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO

ADOPTING ZONING MAP AMENDMENT (ZC19-002) AMENDING THE ZONING MAP OF THE EAST PALO ALTO TO REZONE CERTAIN PROPERTIES TO NEIGHBORHOOD CENTER OVERLAY DISTRICT

WHEREAS, Section 18.114 of the City of East Palo Alto Development Code allows for amendments to the Zoning Map and provides procedures for processing such amendments;

WHEREAS, Section 18.114.060 of the City of East Palo Alto Development Code sets forth findings for Zoning Map amendments;

WHEREAS, the Planning Commission concurrently reviewed a General Plan, a Development Code amendment and the Zoning Map amendment at a duly noticed public hearing on July 25, 2022; and

WHEREAS, the Planning Commission found that the Zoning Map amendment met the required findings, and recommended the City Council adopt the amendment; and

WHEREAS, the City Council at a duly-noticed public hearing, found that the Development Code, Zoning Map and General Plan Amendments met the required findings, and approved the proposed amendments on September 20, 2022, after continuing the public hearing from September 6, 2022.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. ZONING MAP AMENDMENT

The City of East Palo Alto Zoning Map is hereby amended to rezone the following parcels with the Neighborhood Commerical Overlay (NCO) overlay designation, as shown in Table 1 and Figure 1 below:

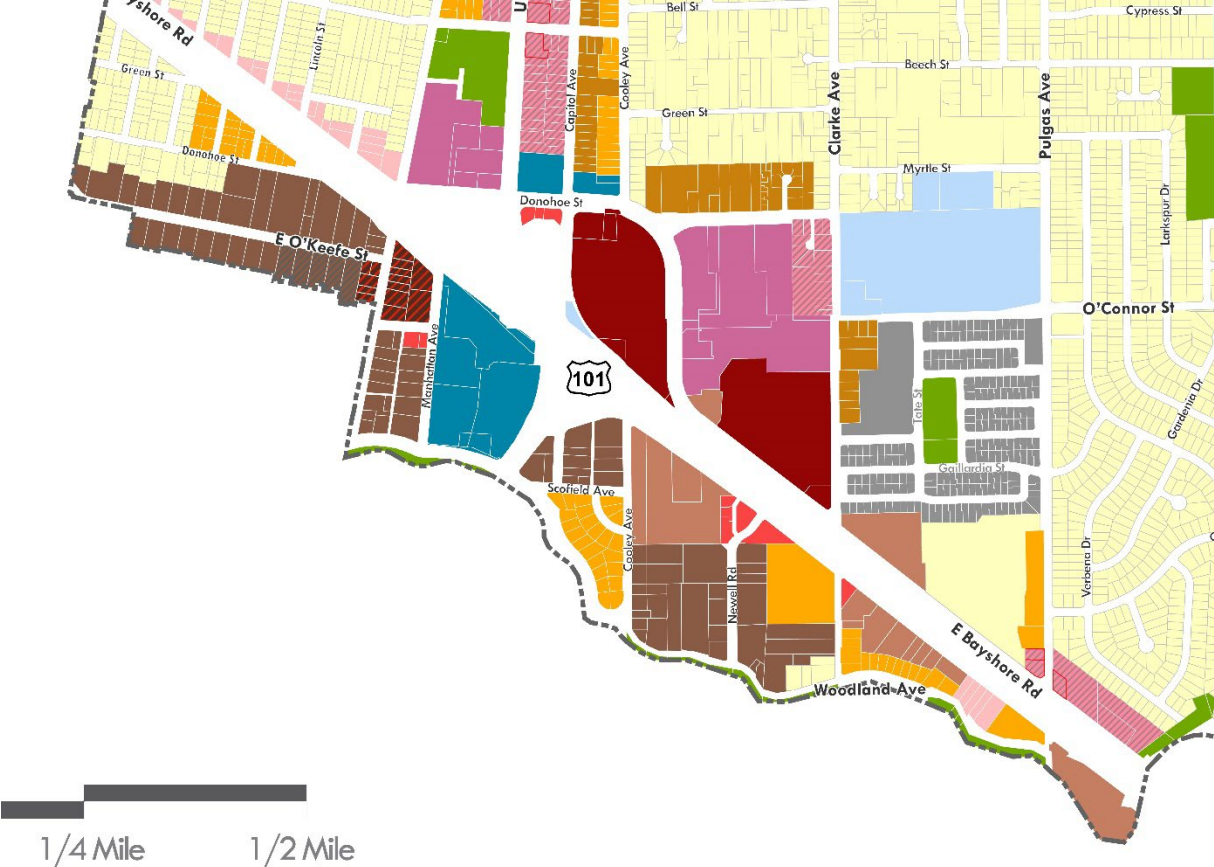
Table 1: Zoning Map Amendment by Assessor’s Parcel Number

Assessor’s Parcel No.	Existing Zoning	Amended Zoning
063-282-010	R-HD-5	R-HD-5 (NCO)
063-282-020	R-HD-5	R-HD-5 (NCO)
063-282-030	R-HD-5	R-HD-5 (NCO)
063-282-040	R-HD-5	R-HD-5 (NCO)
063-282-050	R-HD-5	R-HD-5 (NCO)
063-282-060	R-HD-5	R-HD-5 (NCO)

Attachment: Zoning Map Amendment Ordinance (2406 : Woodland Park Euclid Improvements)

063-282-070	R-HD-5	R-HD-5 (NCO)
063-282-080	R-UHD	R-UHD (NCO)
063-282-090	R-UHD	R-UHD (NCO)
063-281-020	R-UHD	R-UHD (NCO)
063-281-030	R-UHD	R-UHD (NCO)
063-281-040	R-UHD	R-UHD (NCO)
063-281-100	R-HD-5	R-HD-5 (NCO)
063-281-110	R-HD-5	R-HD-5 (NCO)

Figure 1: Zoning Map Amendment



Attachment: Zoning Map Amendment Ordinance (2406 : Woodland Park Euclid Improvements)

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT.

The environmental effects of the Woodland Park Euclid Improvements Project and its associated zone change were analyzed in the Environmental Impact Report (EIR) (SCH# 2020040270) and Mitigation, Monitoring, and Reporting Program, which were certified and approved by the City on September 20, 2022. Future applications for zone changes to the

NCO Zone are not reasonably foreseeable and therefore would be required to complete additional environmental review.

SECTION 3. SEVERABILITY.

If any section, subsection, sentence, clause, phrase or word of this Ordinance is for any reason held to be invalid by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed and adopted this Ordinance, and each and all provisions hereof, irrespective of the fact that one or more provisions may be declared invalid.

SECTION 4. EFFECTIVE DATE.

This Ordinance shall take effect and be in full force thirty (30) days after the date of its adoption.

SECTION 5. PUBLICATION.

The City Clerk is hereby directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held September 20, 2022, and

PASSED AND ADOPTED at a regular City Council meeting held on _____, 2022, by the following vote:

- AYES:**
- NOES:**
- ABSENT:**
- ABSTAIN:**

SIGNED:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Zoning Map Amendment Ordinance (2406 : Woodland Park Euclid Improvements)

RESOLUTION NO. CC 2022-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO APPROVING A DESIGN REVIEW PERMIT, CONDITIONAL USE PERMIT, TENTATIVE PARCEL MAP, AND RELOCATION PLAN FOR A MIXED-USE PROJECT AT 2001 MANHATTAN AVENUE (WOODLAND PARK EUCLID IMPROVEMENTS).

WHEREAS, the application for General Plan Amendment (GP19-001) and Development Code and Zoning Map amendments (ZC19-002), Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), Tentative Parcel Map (TTM19-001), and Development Agreement submitted by Woodland Park Communities/Sand Hill Property Company (“Sand Hill”) pertains to an approximately 3.92-acre project site generally located at 2001 Manhattan Avenue, East Palo Alto, CA; and

WHEREAS, Sand Hill proposes construction of a mixed-use residential project containing approximately 605 residential units within three buildings ranging in height from 5 to 13 stories with approximately 605 parking spaces in a structured garage and approximately 2,500 square feet of community function space and 2,215 square feet of neighborhood-serving retail space; and

WHEREAS, a Final Environmental Impact Report (FEIR) was prepared in accordance with Section 15132 of the California Environmental Quality Act (CEQA) Guidelines and the City Council reviewed the FEIR and the comments received during the public review period along with a Statement of Overriding Considerations prepared in accordance with CEQA Guidelines Section 15093, and certified the FEIR and adopted the Statement of Overriding Considerations on September 20, 2022; and

WHEREAS, the proposed General Plan, Zoning Text Amendment and Zoning Map Revision are consistent with the General Plan’s Westside Area Plan Policies 5.2 through 5.5, which set forth requirements and procedures for new developments proposing increased intensity; and

WHEREAS, the ordinances approving the Zoning Text Amendment and Zoning Map Revision are being presented to City Council concurrently; and

WHEREAS, the project is consistent with the development standards and permitted uses in the City’s Municipal Code and the proposed Development Code Amendment; and

WHEREAS, Section 65864 et. seq. of the California Government Code and Chapter 18.108 of the East Palo Alto Municipal Code authorize the City to enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of that property; and

WHEREAS, the ordinance approving a Development Agreement is being presented to City Council concurrently;

WHEREAS, on July 25, 2022, the Planning Commission held a duly noticed public hearing on the General Plan and Development Code Amendments, Zoning Map Amendments, Design Review and Conditional Use Permits, Tentative Parcel Map, Development Agreement, and Environmental Impact Report (EIR), and other project entitlements (“Project”) and recommended the City Council approve the project by Resolution No. _____.

WHEREAS, on September 6, 2022, the City Council held a duly noticed public hearing on the Project and continued the public hearing to September 20, 2022;

NOW, THEREFORE, BE IT RESOLVED THAT THE EAST PALO ALTO CITY COUNCIL hereby:

- 1. **Approves** the Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), and Tentative Parcel Map (TTM19-001), based on the findings, requirements and conditions of approval (Attachment A) incorporated by reference; and
- 2. **Approves** the Relocation Plan dated September 2022; and
- 3. **Authorizes** the City Manager to execute a Notice of Special Restrictions applying the City's Rent Stabilization Ordinance to 160 new/replacement units at the project site in a form approved by the City Attorney.

BE IT FURTHER RESOLVED THAT this resolution shall take effect upon the effective date of Resolution No. _____ amending the General Plan and Ordinance No. _____ amending Title 18 of the East Palo Alto Municipal Code and Ordinance No. _____ rezoning the designated properties. In the event such ordinances do not become effective, this resolution shall be void and of no legal effect; and

ADOPTED on this _____ **day of** _____ **2022**, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

SIGNED:

Attachment: Resolution Approving Project, Required Findings, and Conditions of Approval (2406 : Woodland Park Euclid Improvements)

ATTEST:

James Colin
City Clerk

Ruben Abrica, Mayor
APPROVED AS TO FORM:

Valerie J. Armento
Interim City Attorney

Attachment: Resolution Approving Project, Required Findings, and Conditions of Approval (2406 : Woodland Park Euclid Improvements)

ATTACHMENT A: FINDINGS, REQUIREMENTS AND CONDITIONS OF APPROVAL



**CITY OF EAST PALO ALTO PLANNING DIVISION
1960 TATE STREET CITY OF EAST PALO ALTO, CA 94303**

**FINDINGS OF FACT
Required Findings for Approval**

The Review Authority may approve, conditionally approve, or deny the General Plan Amendment, Development Code and Zoning Map Amendment, Conditional Use Permit, Site Plan and Design Review, Tentative Map, and Development Agreement applications only after first making all of the following findings.

Findings for General Plan Amendments (EPAMC Sec. 18.114.060(A))

The amendment is internally consistent with all other provisions of the General Plan;

This finding can be made because the amendment and Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The Neighborhood Center Overlay (NCO) designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with all other provisions of the General Plan.

The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City; and

This finding can be made because the project site would be the only site with the NCO land use designation and the effects to public health and safety associated with the increase in intensity of the proposed amendment has been evaluated in an EIR, which has identified mitigation measures and sets forth a Mitigation Monitoring and Reporting Program. These measures are incorporated to avoid potential environmental effects, including those that relate to public health and safety. Future application of the NCO land use designation to additional properties would require amendments to the General Plan to add the NCO land use designation to those additional properties, which would require additional evaluation under CEQA and additional analysis to make required findings.

The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

This finding can be made because the affected site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The increase in intensity included in the amendment has been studied through the project's EIR. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Avenue, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades)

immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Findings for Development Code and Zoning Map Amendments (EPAMC Sec. 18.114.060(B))

The proposed amendment is consistent with the General Plan and any applicable specific plan; and

This finding can be made because the amendment and Neighborhood Center Overlay District implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with all other provisions of the General Plan.

The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.

This finding can be made because the proposed amendment was designed to ensure public health, safety and general welfare. The NCO District amendment includes appropriate project setbacks and open space requirements, and underlying Citywide, R-HD, and R-UHD District regulations are applicable that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment. The project site would be the only site with NCO zoning and has been evaluated in an EIR, which has identified mitigation measures and sets forth a Mitigation Monitoring and Reporting Program. These measures are incorporated to avoid potential environmental effects, including those that relate to public health and safety. Future amendments including a zone change to the NCO district would require additional evaluation under CEQA. Future projects seeking zone changes would also be required to meet required determinations set forth in the NCO zoning regulations that ensure the zone change is in the public's interest.

The proposed amendment is internally consistent with other applicable provisions of the Development Code.

The proposed amendment modifies a discrete set of development standards for the R-HD and R-UHD zoning districts to allow additional residential density and is internally consistent with other applicable provisions of the Development Code, including Citywide, R-HD, and R-UHD District regulations that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment.

The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and

improvement to carry the kind and quantity of traffic the proposed use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

This finding can be made because the affected site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The increase in intensity included in the amendment has been studied through the project's EIR. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Avenue, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Neighborhood Center Overlay District Findings (EPAMC Sec. 18.11.050) (Proposed Development Code Amendment)

The project does not displace existing residents.

This finding can be made because the project would provide right of return units as well as temporary units for all existing residents at consistent sizes and rents. The applicant will provide an anti-displacement incentive in the form of a rent rebate for all tenants who move into their right of return units.

The project provides income-restricted affordable housing consistent with City's Inclusionary Housing Ordinance (Chapter 18.37 of the East Palo Alto Municipal Code).

This finding can be made because the project complies with the Inclusionary Housing Ordinance via an alternative compliance proposal, which includes the provision of at least 70 income-restricted affordable housing units at an offsite location, payment of the in-lieu fee for any units constructed less than 89 units, and inclusion of 160 rent-controlled units within the proposed project.

The project preserves "right of return" for existing residents if demolition of existing residential units is proposed.

This finding can be made because the project would preserve right of return for existing residents consistent with the requirements of the Westside Area Plan.

The project maintains the City's rent stabilization program, where applicable.

This finding can be made because the project would construct 160 rent-controlled units, replacing demolished rent-controlled units on a one-for-one basis. (There are 161 units proposed for demolition on the project site, one of which is a single-family home not subject to rent control.)

The project contributes to the provision of new parks and open spaces.

This finding can be made because the project would include a new publicly accessible 9,300-square foot park.

The project contributes to the provision of new streets and infrastructure.

This finding can be made because the project includes a water tank to improve fire flow and pressure to the project as well as the extended City system. The final details, materials, and design of the tank would be subject to future approval by the City. Street landscaping improvements and bus shelter improvements also are included.

The project improves the fiscal health of the City.

This finding can be made because a fiscal impact analysis showed the project would have a positive net impact on the City of East Palo Alto's General Fund, resulting in an estimated \$1,109,000 in annual General Fund revenues in excess of the estimated annual General Fund expenditures.

The project enhances the area for residents.

This finding can be made because the project would add street trees, renovate streets to add additional parking spaces, replace aging structures with new high-quality buildings, and add parks and open space, consistent with the Westside Area Plan.

Site Plan and Design Review Findings (EPAMC Sec. 10.86.050)

The proposed development is consistent with the General Plan and any applicable specific plan and is in compliance with all applicable provisions of the Development Code and all other City ordinances and regulations;

This finding can be made because the proposed mixed-use development is consistent with the Neighborhood Center Overlay (NCO) land use designation included as an amendment to the General Plan and is in compliance with Westside Area Plan, which sets forth a process and requirements for increasing development intensity at the project site. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, and a Tenant Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code, including the NCO District, and City ordinances and regulations.

The proposed development is to be constructed on a suitable site, adequate in shape, size, topography, and other circumstances to accommodate the proposed development;

This finding can be made because the project site is located in a developed area of the city for a use allowed in the General Plan and in the Development Code and meets Development Code standards for the NCO Zone for height, setbacks, and lot coverage. The project site is approximately 3.92 acres in size and is fully accessible by city streets including Euclid Avenue, Manhattan Avenue, West Bayshore Road, East O'Keefe Street, and O'Connor Street. The application also includes a tentative map, which would dedicate additional right of way to the City and merge multiple parcels on either

side of Euclid into two consolidated parcels to accommodate the proposed buildings.

The proposed development complies with the applicable standards of review;

This finding can be made because the project entitlements include General Plan, Zoning Map and Development Code Amendments to modify existing zoning regulations and general plan designations, as well as a Design Review Permit for the construction of new structures, Conditional Use Permit for the demolition of affordable units, and a Tentative Parcel Map. A Development Agreement is also included.

The proposed development is designed and arranged to provide adequate consideration to ensure the public health, safety, and general welfare, and to prevent adverse effects on neighboring property

This finding can be made because the project was evaluated to ensure public health, safety and general welfare. The project's EIR studied the effects to public health and safety associated with the increase in intensity of the proposed development, identified mitigation measures to reduce impacts, and set forth a Mitigation Monitoring and Reporting Program. The project site, 2001 Manhattan Avenue comprises approximately 3.92 acres of land and is accessible by city streets including Euclid Avenue, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is fully served by public services and utilities, and a 1.5-million-gallon steel water storage tank located at 375 Donohoe Street would be constructed concurrent with the project to provide improved fire flow and pressure to the project as well as the extended City system. The project would also be required to make fair share contributions or improvements to ensure adequate sanitary sewer service. As noted in the project traffic study, the project would be required to make fair share contributions to improve nearby intersection function. A variety of 2-3 story multiple-family and neighborhood commercial uses surround the project site, and the University Circle/Four Seasons campus lies to the east of the project site. The proposed mixed-use residential development has been designed to be compatible with the new NCO zoning district and concentrates the development's greatest height and intensity away from the existing low-rise buildings in the neighborhood and adjacent to the taller University Circle/Four Seasons Campus and US 101 to the northeast to avoid adverse effects on neighboring property. The project also includes appropriate project setbacks, circulation and landscaping, as well as the appropriate screening for loading, parking and mechanical equipment.

CUP Findings (EPAMC Sec. 18.88.060)

The proposed use is consistent with the General Plan and any applicable specific plan;

This finding can be made because the proposed mixed-use development is consistent with the Neighborhood Center Overlay (NCO) land use designation included as an amendment to the General Plan and is in compliance with Westside Area Plan, which sets forth a process and requirements for increasing development intensity at the project site. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space, a publicly accessible park and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, and a Tenant Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code, including the NCO District, and City ordinances and regulations.

The proposed use is allowed within the subject zone and complies with all other

applicable provisions of the Development Code and the Municipal Code;

The proposed residential uses are permitted uses within the UHD and R-HD Zones, and additionally neighborhood commercial uses are permitted by right in the NCO Zone. The increased height and residential density is compliant with the NCO Zone, and the use is also compliant with other applicable provisions of the Development Code and the Municipal Code, including underlying Citywide, R-HD, and R-UHD District regulations are applicable that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment.

The design, location, size, and operating characteristics of the proposed use are compatible with the allowed uses in the vicinity, as detailed in the General Plan or any applicable Specific Plan;

This finding can be made because the proposed use is consistent with the underlying General Plan designations as well as the NCO land use designation. The NCO designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The project site is located in a developed area of the city for a use allowed in the General Plan and in the Development Code that is directly connected to multiple city streets including Euclid Avenue, Manhattan Avenue, West Bayshore Road, East O'Keefe Street, and O'Connor Street. The proposed use is compatible with other allowed uses in the vicinity which include residential, neighborhood-serving retail, and office uses.

Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use; and

This finding can be made because the proposed residential use has been designed to be compatible with the NCO District and with the underlying R-HD-5 and R-UHD zoning districts. The project would also be required to receive a building permit, which requires additional review of life/safety issues. Further, hazards have been evaluated in the project EIR and mitigated to less-than significant levels via the measures identified in the Mitigation Monitoring and Reporting Program.

The subject site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities; and served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate.

This finding can be made because the subject site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Avenue, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the

project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Additional Findings for the merger, demolition or elimination of Affordable Dwelling Units (EPAMC 18.48.220):

The proposal will not be materially detrimental to the public interest of the affected neighborhood and the City.

This finding can be made because the project will provide substantive community benefits including a new publicly accessible park, community space, and water tank to improve fire pressure and water conveyance. The project will also provide off-site income-restricted affordable housing in compliance with the inclusionary housing ordinance and on-site rent controlled housing to provide right of return units for tenants and new rent-stabilized units to tenants. The project will provide relocation benefits to existing tenants including right of return units and temporary housing to provide housing security and avoid displacement.

The proposal is consistent with the City's General Plan policies, Development Code requirements, and all other City rules and regulations.

This finding can be made because the Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with the Tenant Relocation policies of the Westside Area Plan and all other provisions of the General Plan and the Development Code.

Whether the project is necessary to permit construction of special needs facilities such as, but not limited to: childcare centers and affordable housing developments that serve the greater good of the entire community.

This finding can be made because the project would provide a water tank, community space, and a publicly accessible park to serve the greater good of the entire community in addition to constructing off-site income restricted housing and providing on-site rent controlled units.

Tentative Map Findings (EPAMC Sec. 18.52.060)

The proposed map, subdivision design, and improvements are consistent with the General Plan, any applicable specific plan, and this Article;

This finding can be made because the Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with the Tenant Relocation policies of the Westside Area Plan and all other provisions of the General Plan and

the Development Code. Further, the proposed map and improvements are consistent with the minimum lot set forth in the Development Code and with the provisions of Article 6.

The site is physically suitable for the type and proposed density of development;

This finding can be made because the subject site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Avenue, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The project also includes appropriate project setbacks, circulation and landscaping, as well as the appropriate screening for loading, parking and mechanical equipment.

The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;

This finding can be made because the subject site is located in a developed area of the city, and the project was studied in an EIR, which found impacts to biological resources to be less than significant. A mitigation measure would be implemented to required nesting bird surveys if on-site tree removal, demolition and grading to occurs inside of the nesting and breeding season.

The design of the subdivision or type of improvements is not likely to cause serious public health or safety problems;

This finding can be made because the project has been designed to avoid public health and safety problems, and mitigation measures will be adopted as conditions of approval to avoid environmental impacts. Mitigation measures would be implemented to reduce impacts to air quality and noise during construction and operation of the project. The project is adequately served by public and emergency services and would be subject to development impact fees to accommodate any increased demand due to the additional population introduced by the project.

The design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of, property within the proposed subdivision.

The existing site does not include any public access easements, but the project would dedicate additional right of way in fee to the City to provide a consistent 60' wide ROW. A minimum 5' Public Utility Easement would be required on all frontages. The easement width can be modified based on constraints and the final utility design, and sidewalk easements would also be required. A public access easement or license agreement would be implemented to guarantee public access to the project's park.

The discharge of sewage from the proposed subdivision into the community sewer system will not result in violation of existing requirements specified by the California Regional Water Quality Control Board;

This finding can be made because the discharge of sewage is required to be treated by the East Palo Alto Sanitary District. Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The design of the subdivision provides, to the extent feasible, passive or natural heating and cooling opportunities; and

This finding can be made because the project is designed to LEED Silver standards at minimum

and must integrate sustainable design features to maximize energy efficiency, reduce waste streams, conserve water and mitigate greenhouse gas emissions.

The proposed subdivision, its design, density, and type of development and improvements conforms to the regulations of the Development Code and the regulations of any public agency having jurisdiction by law.

This finding can be made because the proposed subdivision design conforms the regulations of the Development Code and General Plan. The project's associated General Plan and Development Code amendments implement Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan.

Development Agreement Findings (EPAMC Sec. 18.108.030)

The development agreement is in the best interests of the City;

This finding can be made because the development agreement includes significant community benefits with a term length of seven to twelve years (dependent on if an automatic extension is invoked). The development agreement and community benefits are consistent with Westside Area Plan Policy 5.4, which calls for projects requesting increased intensity to enter into a development agreement and/or pay fees to support the development of new parks, open spaces, infrastructure and community facilities necessary to support a higher level of development on the Westside. In addition, Westside Area Plan Policy 8.4, which calls for new community meeting spaces. The community benefits include a 9,300 square feet new public park, community function space of approximately 2,500 square feet, and a 1.5 million gallon water tank and pump system to improve the overall water conveyance, supply, and pressure in the neighborhood.

The development agreement is consistent with the purpose, intent, goals, policies, programs, and land use designations of the General Plan, any applicable specific plan, and the Development Code;

This finding can be made because the proposed neighborhood service use is permitted in the Neighborhood Center Overlay Land Use Designation and within the Neighborhood Center zoning district. The multiple family residential use is permitted in the High Density Residential and Urban Residential Land Use Designations in the General Plan and the R-HD and R-UHD Zoning Districts. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, and a Tenant Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code, including the NCO District, and City ordinances and regulations.

The development agreement will promote the public convenience, health, interest, safety and general welfare of the City;

This finding can be made because the project was designed to ensure public health, safety and general welfare. The project includes appropriate project setbacks, circulation, and landscaping. The proposed mixed-use project has been designed to be compatible with the NCO zoning district, and mitigation measures identified in the EIR and MMRP prepared for

the project are incorporated to avoid potential environmental effects related to public health and safety.

The project will be compatible with the uses authorized in, and the regulations prescribed for, the zone in which the real property is located;

This finding can be made because the proposed mixed-use is permitted in the proposed General Plan Neighborhood Center Overlay (NCO) Land Use Designation and within the proposed NCO zoning district. The General Plan and Development Code amendments meet the required findings, as described above. The project site, 2001 Manhattan Avenue, comprises approximately 3.92 acres of land and is occupied 161 existing units and is surrounded by other multiple-family housing development as well as neighborhood serving commercial uses. Therefore, the proposed mixed-use building will be compatible with the other authorized uses in the area.

The project will not adversely affect the orderly development of property or the preservation of property values;

This finding can be made as the project, inclusive of the General Plan and Development Code amendments, is consistent with both the General Plan and the Development Code which plan for and regulate the development of property and set forth property value expectations. The General Plan provides a comprehensive framework for the physical development of the city through 2035 and highlights the project area as appropriate for increases in intensity on a project-by-project basis. The project meets the prerequisites for increases in intensity laid out by Westside Area Plan Policy 5.3, supports the development of new parks, open spaces, infrastructure and community facilities set forth by Westside Area Plan Policy 5.4, and meets application requirements set forth by Westside Area Plan Policy 5.5.

The project will further important Citywide goals and policies that have been officially recognized by the Council; and

This finding can be made because the proposed project is consistent with the General Plan and Westside Area Plan, specifically Goals W-1, W-3, and W-5. Westside Area Plan W-1 is to prevent displacement and preserve affordable housing. The project would provide right of return units, temporary units during construction, and other relocation benefits for existing tenants and would include 160 rent-controlled units in the new development. The project would also further Westside Area Plan Goal W-3 by creating new, high-quality affordable housing, both at the project site (rent-controlled units) and at the off-site income restricted affordable housing development. The project would additionally support Westside Area Plan Goal W-5 by developing of new buildings to improve housing opportunities and improve quality of life.

The project will provide the City with important, tangible benefits beyond those that may be required by the City through project conditions of approval

This finding can be made because the proposed project will provide important and tangible benefits including a community function space, public park, 1.5 million gallon water tank, and bus stop and landscaping improvements around the project site.



**CITY OF EAST PALO ALTO PLANNING DIVISION
1960 TATE STREET CITY OF EAST PALO ALTO, CA 94303**

CONDITIONS OF APPROVAL

Planning Division

General Conditions:

- 1) The project shall be built according to the approved plans as part of Planning application DR19-028 approved by the City Council on _____. Any expansion or change in use shall be subject to review by the Planning Manager and approval by the appropriate decision-making body.
- 2) The Planning Manager may administratively approve minor modifications to the approved plans or uses consistent with Section 18.86.080 of the Development Code. Major Modifications, as determined by the Planning Manager, shall require review and approval from the City Council at a public hearing.
- 3) The applicant shall obtain a City of East Palo Alto building permit and any associated encroachment or site development permits from the Public Works Department before construction can proceed.
- 4) The applicant shall notify the project planner to schedule inspections related to the construction of all structures, landscaping, and other site improvements. The notification request shall be given at least 72 hours prior to the requested time for inspection.
- 5) The applicant shall hold harmless and defend the City, its officers, agents, and employees from any liability or claims for damages due to the injury of any person, loss of life, or damage to property caused by, or arising out of activities authorized by these approvals or from any claim action or proceeding to set aside, void, or annul any approval of the Project by the City. The applicant shall employ legal counsel approved by the city or indemnify the City for the cost of legal counsel and legal services.
- 6) The project shall comply with all terms of the Development Agreement, as approved by Ordinance No. _____.
- 7) The Applicant shall attend a pre-submittal meeting with Public Works and Community and Economic Development Department (CEDD) staff prior to the issuance of a grading permit.
- 8) No permit shall be issued for an individual sign requiring a permit unless and until a Master Signage Plan for the subject parcel on which the sign shall be erected has been submitted and approved consistent with the East Palo Alto Development Code.
- 9) 21 protected trees are approved for removal, as described in the project plans. 42 trees are required for replacement, as described on sheet L-1.0 of the approved plans. Replacement trees must be 24" box size or greater.

- 10) If any additional protected trees are proposed for removal, a tree removal permit shall be filed with the Planning Division for the removal of any Protected Trees on the property prior to the issuance of building permits. The applicant shall incur any fees associated with the tree removal permit application or peer review.
- 11) Project landscaping shall comply with City of East Palo Alto and State regulations for water-efficient landscaping.
- 12) The project shall incorporate native landscaping where possible.
- 13) Private and dedicated open space and trees shall be preserved and maintained by the owner/occupant per plans when approved by the City. If there are any modifications to the current trees and landscaping or if the tree needs to be replaced by something comparable, the applicant will need to get approvals from the Planning Division in order to be permitted to do so. The approval may require, but is not limited to, separate permits fees, arborist reports, and other necessary documents. No building additions shall be permitted that impede or in any way impact the granted open space excluding small accessory structures.
- 14) Landscaping within the Corner Vision Triangle Area (defined by East Palo Alto Municipal Code Section 18.22.020(B)) shall be selected, installed, and maintained consistent with East Palo Alto Municipal Code Section 18.22.020 to avoid obstructions for vehicles exiting project driveways.
- 15) As part of the project's Transportation Demand Management Program, the project will be required to coordinate with the City's TDM program coordinator to increase ridership of the University Circle Complex shuttle. At minimum, the Applicant shall advertise the private Caltrain shuttle service offered by the University Circle Complex property managers in lobbies and public spaces and coordinate placement of a shuttle stop with the City.
- 16) Transit passes shall be offered in accordance with the City-approved Transportation Demand Management plan.
- 17) The applicant or successor in interest shall be required to participate in a TMA if formed.

Prior to Issuance of Grading Permits:

- 18) SC AQ-2.1 BAAQMD Basic Construction Measures. BAAQMD Basic Construction Measures. Prior to any grading activities, the applicant shall prepare and implement a Construction Management Plan that includes the BAAQMD Basic Construction Mitigation Measures to minimize construction-related emissions. This plan shall first be reviewed and approved by the Director of Public Works/City Engineer. The BAAQMD Basic Construction Mitigation Measures are:
 - a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - b. All haul trucks transporting soil, sand, or other loose material off-site shall be

- covered.
- c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - d. All vehicle speeds on unpaved roads shall be limited to 15 mph.
 - e. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - f. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
 - g. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
 - h. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.

Prior to the Issuance of Building Permits:

Prior to the issuance of building permits:

- 19) Applicant shall acknowledge in writing all of the conditions of approval and any mitigation measures contained in the EIR mitigation and monitoring program (MMRP) and accept these conditions and mitigation measures with full awareness of the responsibilities associated with all requirements. Said information to be noted on the front page(s) of the building permit plan sets.
- 20) The project shall comply with the associated Mitigation Monitoring and Reporting Program (MMRP). Prior to the issuance of building permit the developer shall be required to meet with the Planning Division to discuss the mitigation measures identified with the Mitigation Monitoring and Reporting Program (MMRP).
- 21) Applicant shall record a memorandum with the County of San Mateo stating that the conditions of approval are available from the City of East Palo Alto.
- 22) Applicant shall submit a lighting plan showing all proposed parking lot and exterior building lighting, including details on standard design, coverage and intensity for review and approval by the Planning Manager.
 - a. The plan shall include the manufacturer's specifications and the 0.5-foot candle contour lines on selected elevations and on the site plan.
 - b. Lighting shall be limited to the absolute minimum required to provide visibility and security to the site without spillover or glare effects to surrounding properties, roadways, or sky to limit light pollution and trespass.
 - c. Minor adjustments with diffusers or lower wattage fixtures may be required after opening.
 - d. Exterior light fixtures shall be full cutoff type so that lighting is directed downward only, minimizing glare and light pollution, and shall not cast light on any adjacent

property or roadway. Lighting fixtures shall be installed that are energy efficient.

- 23) Applicant shall submit the method of screening roof equipment to the Planning Manager for review and approval. Roof equipment and objects such as elevator equipment, air conditioning or utility equipment, television aerials, etc. shall not be visible from surrounding streets or properties from the ground plane.
- 24) Applicant shall submit a site management plan to address any remediation, if required. Final sign-off, if required, shall come from the San Francisco Regional Water Quality Control Board, and building permits shall not be issued until the City has received clearance from the San Francisco Regional Water Quality Control Board for any required remediation of the site.
- 25) All impact fees, as well as any outstanding costs associated with the planning entitlement process, shall be paid prior to issuance of the building permit. Impact fee information is available at:
https://www.cityofepa.org/sites/default/files/fileattachments/finance/page/4461/east_palo_alto_comprehensive_fee_schedule_eff.01.2021_0.pdf
- 26) Submit exterior building colors, materials, and design elements to the Planning Manager for final review and approval prior to issuance of building permit.
- 27) Submit exterior paint colors, materials, and design elements for the water tank to the Public Works Director for final review and approval prior to issuance of building permit.
- 28) A tree protection plan shall be submitted and approved prior to issuance of building permits. To avoid and minimize damage to existing trees that are not proposed for direct impact by Project activities, the measures outlined on Plan Sheet T-0.1 shall be implemented during construction.
- 29) Prior to the issuance of a building permit, the applicant shall comply with the Transportation Demand Management (TDM) Plan requirements consistent with the East Palo Alto Municipal Code Chapter 10.32. A complying TDM plan shall be submitted to the City for review and approval before building permits can be issued. The project shall be subject to all applicable TDM-related fees and penalties.
- 30) Applicant shall install bicycle racks or storage that complies with the Santa Clara Valley Bicycle Technical Guidelines and Valley Transit Authority (VTA) standards, as may be amended.
- 31) Applicant shall submit a property maintenance and management plan for the entire property, which shall include but not be limited to:
 - a. Clearly identify the use of all balconies and define what can and cannot be stored on the balcony
 - b. General cleaning of litter and debris on-site

- c. Maintenance of all exterior building materials
 - d. Maintenance of all landscaping, window cleaning, etc.
- 32) Prior to the issuance of Building Permits, the project applicant/developer must obtain all required approvals by and be in compliance with all the conditions of the East Palo Alto Sanitary District or then current provider of sanitary sewer.
- 33) Submit final design details and equipment details for improvements at the Park which shall be approved by the City and shall be consistent with the Parks, Recreation, and Open Space Master Plan.

Conditions Prior to Certificate of Occupancy:

- 34) Park improvements shall be constructed prior to issuance of certificate of occupancy.

Conditions After Certificate of Occupancy:

- 35) The community room shall be maintained and operated consistent with the terms set forth in the Development Agreement (Ordinance No. _____) for the life of the project.
- 36) The applicant shall consult with the City prior to making any modifications to landscaping, equipment, programming, or operation of the park.

CEQA Mitigation Measures

- 37) MM AES-2.1 Construction Screening. To minimize and soften the visual effect as seen from visitors and nearby residents, the project proponent shall incorporate construction fencing or screening around the perimeter of the site. The screening material shall be of sufficient height to mask ground-level activities within and be designed with graphics, murals, historic references, or other design features to blend as much as possible with the neighborhood surroundings while communicating the future uses at the site. Screening shall remain in place during demolition of existing structures, site preparation and new building construction. Screening shall not be necessary during the final stages of construction when architectural coatings, detailing and landscaping are applied. The plan for screening concept and design shall be submitted for approval to the City of East Palo Alto prior to issuance of any building and grading permits.
- 38) MM AES-2.2 Water Tank Screening. During construction, the applicant shall provide construction screening of the water tank site to soften visual effects of construction. In the final phase of tank construction, the applicant shall landscape the perimeter of the water tank site at 375 Donohoe with a combination of fencing and vegetation to soften and screen the appearance of the water tank and related improvements. Plant selection shall include native, taller species or trees to provide a visually appealing screen as viewed from the roadway and surrounding land uses. Landscaping and screening shall not conflict with water tank access or operations. Landscaping plans shall be submitted to the City for review and approval with final improvement plans.
- 39) MM AES-3.1 Glare Reduction. As part of final improvement plans, the project shall incorporate anti-reflective (AR) glass products and surfaces selected specifically to minimize reflective glare. Such materials can vary but typically consist of matte or patterned finishes that serve to both reduce reflective glare and reduce bird strike.

- 40) MM AQ-3.1 Off-Road Diesel-Powered Construction Equipment. All mobile diesel-powered off-road equipment operating on-site for more than two days and larger than 50 horsepower shall, at a minimum, meet U.S. Environmental Protection Agency (EPA) particulate matter emissions standards for Tier 4 engines or equivalent. Prior to the issuance of any demolition permits, the project applicant shall submit a construction operations plan to the Planner/Project Manager of the Planning Division of the Department Community and Economic Development, which includes specifications of the equipment to be used during construction and confirmation this requirement is met. Such equipment could include concrete/industrial saws, graders, scrapers, rollers, cranes, forklifts, generator sets, and air compressors.

The construction contractor may use other measures to minimize construction period Diesel Particulate Matter (DPM) emissions to reduce the estimated cancer risk below the thresholds. The use of equipment that includes CARB-certified Level 4 Diesel Particulate Filters or alternatively-fueled equipment (i.e., non-diesel), added exhaust devices, or a combination of these measures could meet this requirement. If any of these alternative measures are proposed, the construction operations plans must include specifications of the equipment to be used during construction prior to the issuance of any demolition permits. If any of these alternative measures are proposed, the plan shall be accompanied by a letter signed by a qualified air quality specialist, verifying the equipment included in the plan meets the standards set forth in this mitigation measure.

- 41) MM BIO-1.1 Preconstruction Bird Surveys. The applicant shall schedule all on-site tree removal, demolition and grading to occur outside of the nesting and breeding season (February 1 through September 1) of any given year to avoid nest disturbance. If this schedule is not practical or feasible, the applicant shall hire a qualified biologist to conduct preconstruction nesting bird surveys of the site plus a 100-foot perimeter around the site, no more than seven days prior to removal of trees and grading. If nesting birds are observed, the biologist will establish a buffer zone where no tree removal or grading will occur until the biologist confirms that all chicks have fledged and are no longer reliant on the nest. The buffer zone may vary from 50 to 250 feet, depending upon the species of bird and exposure of the nest site.
- 42) MM CR-2.1 Inadvertent Discovery of Archaeological Resources. In the event the buried, or previously unrecognized archaeological deposits or resources are encountered during ground disturbing activities, work shall be temporarily halted within a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified professional Archaeologist has evaluated the situation and provided appropriate recommendations. Project personnel shall not collect cultural resources. Construction and potential impacts to the area(s) within a radius determined by the archaeologist shall not recommence until the assessment is complete.
- If any tribal cultural resources are found, the project applicant and/or its contractor shall cease all work within 50 feet of the discovery and immediately notify the City of East Palo Alto Planning Division. Potentially significant Native American resources consist of but are not limited to chert or obsidian flakes, projectile points, mortars, and pestles; and dark friable soil containing shell and bone dietary debris, heat-affected rock, or human burials. The tribal monitor(s) will contact the tribal representative(s) and in consultation with the City and an archeologist evaluate the finds. Appropriate mitigation measures for the

inadvertently discovered tribal cultural resource shall be at the direction of tribal leadership. The City and tribal representative(s) shall consider the mitigation recommendations and agree on implementation of the measure(s) that are feasible and appropriate. Such measures may include reburial of any ancestral remains, avoidance, preservation in place, excavation, documentation, or other appropriate measures.

- 43) MM CR-2.2 Inadvertent Discovery of Human Remains. In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 50-foot radius of the find. The project proponent shall then inform the San Mateo County Coroner and the City of East Palo Alto immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the NAHC to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

- 44) MM GEO-5.1 Final Geotechnical Evaluation. A construction level geotechnical evaluation shall be required for the project. The project shall be required to adhere to and incorporate all standards and recommended engineering measures to mitigate for liquefaction, expansive soils and other local soil constraints. The final geotechnical evaluation will be provided to the City for review and approval prior to the issuance of building permits.

- 45) MM GEO-6.1 Inadvertent Discovery of Paleontological Resources. In the event that fossils or fossil-bearing deposits are discovered during construction activities, work shall be temporarily halted with a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified paleontologist has evaluated the situation and provided appropriate recommendations. Construction and potential impacts to the area(s) within a radius determined by the paleontologist shall not recommence until the assessment is complete.

If it is determined that the proposed development could damage unique paleontological resources, mitigation shall be implemented in accordance with Public Resources Code Section 21083.2 and Section 15126.4 of the CEQA Guidelines. Possible mitigation under Public Resources Code Section 21083.2 requires that reasonable efforts be made for resources to be preserved in place or left undisturbed. If preservation in place is not feasible, the applicant shall mitigate significant effects. Excavation as mitigation shall be limited to those parts of resources that would be damaged or destroyed by a project.

Possible mitigation under CEQA emphasizes preservation-in-place measures, including planning construction avoid paleontological sites, incorporating sites into parks and other open spaces, covering sites with stable soil, and deeding the site into a permanent conservation easement. Under CEQA Guidelines, when preservation in place is not feasible, data recovery through excavation shall be conducted with a data recovery plan in place.

- 46) MM GHG-1.1 Transportation Demand Management Plan. Prior to approval of project entitlements for future residential uses, the project applicant shall prepare qualifying Commute Trip Reduction (CTR)/Transportation Demand Management (TDM) plan to reduce mobile GHG emissions for all uses. The TDM plan shall be approved by the City of East Palo Alto and any physical features resulting from the plan shall be shown in final improvement plans. The TDM plan shall discourage single-occupancy vehicle trips and encourage alternative modes of transportation such as carpooling, taking transit, walking, and biking. The following measures or equally effective measures shall be incorporated into the TDM plan.
- The project applicant shall consult with the local transit service provider on the need to provide infrastructure to connect the project with transit services. Evidence of compliance with this requirement may include correspondence from the local transit provider(s) regarding the potential need for installing bus turnouts, shelters or bus stops at the site.
 - The CTR/TDM plan for the project shall include, but not be limited to the following potential measures: ride-matching assistance, preferential carpool parking, flexible work schedules for carpools, half-time transportation coordinators, providing a web site or message board for coordinating rides, designating adequate passenger loading and unloading and waiting areas for ride-sharing vehicles, and including bicycle end of trip facilities. This list may be updated as new methods become available. Verification of this measure shall occur prior to building permit issuance for the commercial uses.
- 47) MM HAZ-1.1 Asbestos Operation and Management Plan. Prior to demolition and removal of material from the site, the project applicant shall implement the recommendations of the 2014 Asbestos O&M Plan for work involving asbestos-containing material. These measures include asbestos training and specific work procedures for employees managing asbestos contaminated materials, notification procedures for building owners and occupants, asbestos clean-up and emergency response procedures, and recordkeeping of identified asbestos contaminated materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation.
- 48) MM HAZ-1.2 Lead Based Paint and PCB Operation and Management Plan. Prior to any renovations or demolition, the project applicant shall implement the recommendations of the LBP O&M Plan for work involving lead based painted surface areas to be carried out. These measures include training and special work procedures for employees managing lead-based paint materials, notification procedures for building owners and occupants, emergency response procedures, and recordkeeping of identified lead-based paint materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation. The project shall also follow current San Francisco Bay Regional Water Quality Control Board requirements for identifying and controlling PCB's during building demolition, if present.

- 49) MM N-1.1 Construction Noise Reduction. Prior to Grading Permit issuance, the applicant shall demonstrate, to the satisfaction of the City of East Palo Alto Director of Public Works or City Engineer that all applicable construction plans and specification include the following measures:
- Construction activities shall be restricted to daytime hours of between 7:00 a.m. and 8:00 p.m. on weekdays.
 - Prior to the start of construction activities, the construction contractor shall:
 - Maintain and tune all proposed equipment in accordance with the manufacturer's recommendations to minimize noise emission.
 - Inspect all proposed equipment and should fit all equipment with properly operating mufflers, air intake silencers, and engine shrouds that are no less effective than as originally equipped by the manufacturer.
 - Post a sign, clearly visible at the site, with a contact name and telephone number of the City of East Palo Alto's authorized representative to respond in the event of a noise complaint.
 - Place stationary construction equipment and material delivery in loading and unloading areas as far as practicable from the residences.
 - Limit unnecessary engine idling to the extent feasible.
 - Use smart back-up alarms, which automatically adjust the alarm level based on the background noise level, or switch off back-up alarms and replace with human spotters.
 - Use low-noise emission equipment.
 - Limit use of public address systems.
 - Minimize grade surface irregularities on construction sites.
- 50) MM TRA-2.1 Traffic Calming Measures. Prior to operational use of the parking garage, the project applicant shall install traffic calming measures at the Bayshore Road/Manhattan Avenue location to reduce traffic speeds and improve the safety of driveway movements. Such measures could include advisory speeds signs, advanced warning signage along Manhattan Avenue and Bayshore Road, roadway bulbouts, raised dots, parking restrictions or other physical improvements. Final traffic calming measures will be determined in consultation with City of East Palo Alto Public Works staff during review of improvement plans.
- 51) MM UTIL-3.1 Fair Share Funding of Project Improvements. The project applicant shall either fund the fair share of construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both. The project's financial and implementation responsibility for sewer capacity improvements shall be determined in consultation with the City of East Palo Alto Public Works Department. Fair share funding of common improvements to the city-wide system would also address the project's contribution to significant cumulative effects. Funding or construction of common improvements shall occur prior to the issuance of building permits or as determined by the City. The project's fair share of responsibility shall be proportionate to the impact. The project shall not be responsible for mitigating all existing deficiencies.

Housing DivisionPrior to the Issuance of Building Permits:

- 52) Payment in full of Inclusionary In-Lieu Fee. The final Inclusionary Housing In-Lieu Fee shall be paid in accordance with the terms of the Development Agreement adopted by Ordinance No. _____.

Prior to Certificate of Occupancy:

- 53) All subsequent actions taken by the Applicant related to the residential units in the Project shall be consistent with the Tenant Relocation Plan, as approved by the City Council.
- 54) Final Inspection Approval, Temporary Certificate of Occupancy, Certificate of Occupancy, and Notice of Completion for any units will be issued in accordance with the Inclusionary Housing obligations specified in the Development Agreement (Ordinance No. ____).

Building DivisionAt Building Permit Submittal

- 55) A digital copy of the plans must be submitted for building review and must include the digital submittal of all relevant supporting documents, including but not limited to structural calculations, energy compliance forms, soils report, etc.
- 56) Plans submitted for building review must be designed to the 2022 California Building Codes or the code in effect at the time of submittal.
- 57) Please imprint the Conditions of Approval on the plans submitted for building permits.
- 58) A soils investigation report shall be submitted containing design recommendations. Additionally, a signed and stamped letter from the Geotechnical Engineer or Civil Engineer who prepared the soil investigation shall be submitted stating the following:
- a. The plans and specifications substantially conform to the recommendations in the soil investigation.
 - b. The Geotechnical Engineer or Civil Engineer who prepare the soil investigation has been retained to provide soil site observation and provide periodic and final reports to the City of East Palo Alto.
- 59) Prior to final inspection for any building or structure, the Geotechnical Engineer or Civil Engineer who prepared the soil investigation shall issue a final report stating the completed pad, foundation, finish grading and associated site work substantially conform to the approved plans, specifications and investigations.
- 60) Please imprint, on the submitted plans, the Construction Best Management Practices. To access the standard plan, please visit: <http://www.flowstobay.org/construction>.
- 61) The applicant shall properly complete and incorporate the CAL Green Residential Mandatory Measures in effect at the time of submittal on the plans submitted for building permits. The link to access the form: <http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/443>
- 62) The applicant shall properly complete and incorporate the CAL Green Non-Residential Mandatory Measures in effect at the time of submittal on the plans submitted for building permits. The link to access the form: https://www.cityofepa.org/sites/default/files/fileattachments/building/page/3801/2019_cal_gre

en_non-residential_mandatory_requi_rn1603.pdf

- 63) Provide a note on the plans submitted for building permits: "At a minimum, 65% of the project waste stream shall be recycled; prior to final project approval, a receipt shall be provided to the building inspector to verify 65% recycling has occurred." Self-hauling is prohibited in the City of East Palo Alto; an authorized hauler shall be utilized.
- 64) All construction and demolition debris shall be contained on-site (not in the public right-of-way) in constantly covered bins, which include adequate service.
- 65) Please note on plan: The City of East Palo Alto Municipal Code Section 15.04.125 limits construction activity to the following hours:
- Monday through Friday: 7:00 AM to 6:00 PM Saturday: 9:00 AM to 5:00 PM
- Sundays and national holidays: No activity allowed

Prior Building Permit Issuance

- 66) The installation of site construction trailers will require a separate building permit issued by the Building Division. Plans and specifications must be submitted for review and approval prior to the installation of such structure. Please contact the Building Division for additional information.
- 67) Approval of this Project does not relieve the Applicant from the applicable requirements of subsequent permits and approvals, including but not limited to the following as may be applicable:
- Grading Permit and Improvement Plan
 - Fire Permit
 - School District Development Impact fee requirements
- 68) Prior to the issuance of building permits, the applicant/developer shall submit a waste management plan to the Building and Safety Division. The plan shall include the estimated composition and quantities of waste to be generated and how the project developer intends to recycle at least 65 percent of the total job site construction waste measured by weight or volume. Proof of compliance shall be provided to the Chief Building Official prior to the issuance of a final building permit.

Prior To Final/Occupancy

- 69) A minimum of 10 Days prior to anticipated occupancy, the applicant shall have scheduled final inspections by all Departments requiring conditions of approval.

Engineering Division:

SPECIFIC CONDITIONS OF APPROVAL

- 70) A Parcel Map or Condominium Map shall be submitted for review and approval by the City and recorded with the County Recorder prior to issuance of building permits. The Map shall conform to the Subdivision Map Act and the Municipal Code, and shall show any required right-of-way or easement dedications shown on the Tentative Map. The Map shall show a Public Access Easement over the Park parcel, unless the City agrees that a License Agreement for public access is an acceptable alternative.

The Map shall include the following:

- Dedicate additional public right-of-way (fee) on Euclid Avenue and O'Connor Street as needed to provide a consistent 60' wide ROW.
 - Provide a minimum 5' Public Utility Easement on all frontages. The easement width can be modified based on constraints and the final utility design.
 - On Euclid Avenue (Section B-B of the Tentative Map), where the parking and/ or sidewalk is located outside the ROW, extend the ROW to the curb and provide a sidewalk easement over the sidewalk. Confirm the width of the ROW to match the proposed improvements.
 - Provide a public access easement over the private park unless access can be provided through a license agreement or other document. The license agreement or access easement shall be in effect in perpetuity.
 - A set of CC&Rs shall be submitted for review, covering maintenance responsibilities for common private improvements between Parcels 1 and 2. The CC&Rs shall be recorded prior to occupancy of the buildings.
- 71) The Applicant shall submit off-site improvement plans, incorporating frontage improvements, utility improvements, and off-site landscaping. The off-site improvement plans shall be submitted with the Building Permit application.
- 72) The Applicant shall construct frontage improvements similar to those shown in the Planning Application. These improvements will include sidewalk, curb, gutter, landscaping, stripping, and other typical frontage items. Additionally, the entire width of Euclid Avenue along the project frontage must be given a minimum of 2-inch grind and overall and road sections along the other frontages must be ground and overlaid for half their width unless otherwise specified in the offsite-improvements plan review.
- 73) Prior to the approval of the off-site improvement plans, the Applicant shall execute a long-term maintenance agreement with the City, covering ownership and maintenance of the various improvements, including streetscaping, the bus stop, and the park.
- 74) The Applicant shall obtain a will-serve letter from the East Palo Alto Sanitary District (EPASD) or then-current provider of sanitary sewer prior to issuance of building permits. The Applicant shall complete sanitary sewer system improvements and/ or provide funding as required by EPASD or the then-current provider of sanitary sewer. At a minimum, any lines identified by EPASD or the then-current provider of sanitary sewer as needing upgrades within the project street improvement limits will be upgraded.
- 75) The 1.5-million-gallon water tank at 375 Donohoe Street shall be constructed in accordance with the terms of the Development Agreement adopted by Ordinance No._____. Improvements shall be in general conformance with the *Euclid Improvements Water Supply and Fire Flow Systems Report*, by BKF, dated July 23, 2020. An alternate option shown in the Report may be utilized if approved by the City. The design shall be confirmed by a fire flow/ pressure analysis, based on the proposed water tank design, confirming the water tank provides adequate storage, flow and pressure to serve the development. The design will be completed by the Applicant with review and approval by the City of East Palo Alto and Menlo Park Fire.

Water system upgrades shall be consistent with the City's Water Master Plan, the BKF report, and any Menlo Park Fire requirements.

The developer shall donate the land at 375 Donohoe Street (063-148-110, 063-148-120, 063-

148-130) and water tank improvements and all accompanying equipment to the City at issuance of Certificate of Occupancy for the Project site, or later at the discretion of the Public Works Director.

- 76) The Applicant shall provide a solid waste management plan. The plan shall be provided to Recology for review and approval, prior to approval of plans or issuance of Building Permits.
- 77) In accordance with the Phase I Environmental Site Assessment, by WSP dated September 27, 2019, the following shall be completed prior to issuance of demolition permits:
- Asbestos shall be identified and removed in accordance with the 2014 Asbestos Operations and Maintenance Plan.
 - Lead-based paint shall be identified and removed in accordance with the existing lead-based paint Operations and Maintenance Plan.

In addition, the Phase I Environmental Site Assessment notes the possible presence of PCB's on the site. Prior to issuance of demolition permits, a plan shall be prepared for the City's approval and implemented to identify and remove or otherwise mitigate PCBs on the site.

- 78) The Applicant shall provide a final Stormwater Management Plan, including a C.3/C.6 stormwater checklist. The Stormwater Management Plan shall include the following:
- Green Infrastructure Measures should be provided along the project frontage (bulbouts could be used for this).
 - Provide MRP C.10-compliant trash capture measures onsite and along the project frontage.
 - Private stormwater measures shall not be located within the public right-of-way.
 - If non-LID measures are proposed to treat runoff, confirm that the project qualifies as a Special Project and that the percentage of runoff treated by non-LID measures matches the allowed non-LID credit determined in the C.3/ C.6 checklist.
- 79) The Applicant shall provide a hydrologic/ hydraulic analysis of the existing storm drain system and confirm if the existing system has adequate capacity to serve the development. The post-construction flows shall be calculated for a 100-year storm event. Post-construction flows shall not exceed pre-construction flows.
- 80) The existing 24" storm drain line in O'Connor Street and Euclid Avenue shall be upsized to a larger pipe per the City's Storm Drain Master Plan prior to Certificate of Occupancy (Schaaf & Wheeler, 2014). In addition, the existing storm drain crossing Manhattan Avenue at West Bayshore Road shall be upsized per the Master Plan.
- 81) TV camera inspection or other methods shall be completed to confirm the condition of the existing utility system within the limits of the project. The extent of the inspection shall be determined at the time of the improvement plan submittal. Utilities within the project limits that are in poor condition shall be replaced or rehabilitated as needed.
- 82) Unless otherwise approved, domestic water shall be provided to the project by a master City water meter located at the public right-of-way. Units shall be individually metered.
- 83) Unless otherwise approved, water for fire protection shall be provided via a private on site fire line, isolated from the City water system by a double check detector. Calculations shall be provided confirming that adequate flow/ pressure is available for on site fire hydrants and the

building sprinkler system.

- 84) The project shall implement the recommendations of the *Woodland Park Euclid Improvements, Transportation Demand Management Plan, Transportation Action Plan*, by TDM Specialists, Inc., as approved by the City.
- 85) The Applicant shall work with the City to develop a pedestrian connection across Manhattan Avenue, connecting the Woodland Park Apartments to the University Circle II development, providing access to the Class I bicycle/ pedestrian trail on University Avenue and the Highway 101 Pedestrian Overcrossing. The location for the crossing shall be at the O'Connor Street intersection, and shall include enhanced measures such as bulbouts and flashing beacons.
- 86) Provide traffic-calming measures at the Manhattan Avenue/ West Bayshore Road intersection to be incorporated into the offsite improvement plans. Traffic-calming measures shall be based on available sight distance around the intersection and to the parking garage access south of the intersection. Confirm sight distance between southbound traffic on the street and vehicles entering or leaving the garage, or provide measures to address sight distance.
- 87) Provide a photometric analysis to confirm that existing and proposed lighting meets City lighting standards.
- 88) Existing overhead utility lines along the project frontages, or crossing abutting streets, shall be placed underground.
- 89) Signing, striping, and layout for all four public streets around the property shall be in accordance with the Neighborhood Collector Street Design Criteria.
- 90) PARCEL MAP: A Parcel Map or Condominium Map shall be submitted for review and approval by the City and recorded with the County Recorder prior to issuance of building permits. The Map shall conform to the Subdivision Map Act and the Municipal Code, and shall show any required right-of-way or easement dedications shown on the Tentative Map. The Map shall show a Public Access Easement over the Park parcel, unless the City agrees that a License Agreement for public access is an acceptable alternative.
- 91) CONDITIONS, COVENANTS, AND RESTRICTIONS (CC&Rs): A set of CC&Rs shall be submitted for review, covering maintenance responsibilities for common private improvements between Parcels 1 and 2. The CC&Rs shall be recorded prior to occupancy of the buildings.

STANDARD CONDITIONS

- 92) ENGINEERING FEES: All review and inspection fees per the City's Master Fee Schedule shall be paid prior to the issuance of any permits.
- 93) DEVELOPMENT IMPACT AND WATER CAPACITY FEES: All Development Impact Fees and Water Capacity Fees shall be paid consistent with East Palo Alto Municipal Code (EPAMC) Chapter 13.28, and Resolutions No. 5004 and No. 5093, and in accordance with the terms of the Development Agreement adopted by Ordinance No._____.
- 94) GRADING PERMIT: Prior to building permit approval, a grading permit shall be obtained from the Engineering Division with payment of fees per EPAMC 15.48. See the following link for an application.

<https://www.cityofepa.org/publicworks/page/grading-permit>

- 95) ENCROACHMENT PERMIT: The developer shall obtain an encroachment permit from the Engineering Division prior to performing any work in the public right-of-way. See the link below for an application.
<https://www.cityofepa.org/publicworks/page/encroachment-permit>
- 96) PUBLIC IMPROVEMENTS: The developer shall provide public street improvements along the project frontage where existing streets (vehicle and/or pedestrian paths) do not meet current City standards. These improvements may include sidewalk, curb and gutter, driveway approach, curb ramp, and any right-of-way dedication. See EPAMC 15.04.040
- 97) CONSTRUCTION VEHICLES, EQUIPMENT, AND MATERIALS: All construction related vehicles, equipment, and materials shall be managed on-site. At no time shall such items be parked or stored in the public right-of-way without an encroachment permit or written approval by the City Engineer.
- 98) TRAFFIC CONTROL: Activities that require temporary closures of sidewalks, vehicle and/or bike lanes, or other public paths shall require review and approval by the Engineering Division through an encroachment permit.
- 99) STORMWATER DRAINAGE: The project shall not create any negative impacts to adjacent properties such as cross-lot drainage. The project shall conform with all C.3/C.6 requirements.
- 100) CONSTRUCTION BEST MANAGEMENT PRACTICES: This project is required to implement stormwater best management practices (BMP) as described by the San Mateo Countywide Water Pollution Prevention Program. **Stormwater Measures shall include full trash capture measures conforming to Section C.10 of the Municipal Regional Permit for Stormwater (5-mm. screens, sized for 1-year, 1-hour storm).** The following sheet in the link below shall be included in the plans.
<https://www.flowstobay.org/wp-content/uploads/2020/04/Countywide-Program-BMP-Plan-Sheet-June-2014-Update.pdf>
- 101) FENCES/WALLS: No new or existing fence and/or wall shall be permitted outside of the property boundary lines. No new or existing concrete (or similar) wall and/or fence is permitted where there is a public easement. The removal of such existing structures shall be required prior to the issuance of any permits.
- 102) WATER METER: This project shall use one public water meter provided by the City's water operator. Any additional water meters shall be purchased by the developer, maintained privately, and stored onsite.
- 103) TRAFFIC CONTROL PLAN: Submit a traffic control plan with the off-site improvement plans for review and approval. The traffic control plan shall include a summary of the traffic control types, dates, times and blocks affected. All construction related materials, equipment, and construction workers parking need to be stored on-site and the public streets need to be kept free and clear of construction debris.

Police Department:

- 104) The Applicant shall submit a security plan for the project to the Police Department for review and comment prior to Certificate of Occupancy. Reasons for review include, but are not limited to the following:
- a. Excessive and/or unexplainable increase in calls for service

- b. Excessive and/or preventable crimes committed at the residence and/or commercial space.
 - c. Numerous complaints of a valid nature
- 105) Lighting: The Applicant shall provide uniform lighting without glare for scheduled nighttime activities and to permit good observation by neighbors and patrol units after hours.
- 106) Signage: The Applicant shall:
- a. Post “No trespassing/Loitering” signs at entrances of parking lots and other appropriate places. Signs should be at least 2’by1’ in overall size, with white background and black 2” lettering. Section 9.08.010 of the East Palo Alto Municipal Code should be included as a reference on the no loitering signs.
 - b. Post signs at all entrances to the parking area pursuant to section 22658(a) of the California Vehicle Code to assist management with removal of unwanted vehicles per the parking manager’s request.
- 107) Parking Structure: The Applicant shall include the following in building permit plans:
- a. The interior structure be painted a light, highly reflective color.
 - b. Metal halide or other bright white light sources shall be utilized. No dark areas should exist inside the structure.
 - c. All storage, maintenance, and trash rooms within the parking garage shall have doors which cannot be locked from the inside, and that close and lock quickly and automatically upon exit.
 - d. Alcoves and other visual obstructions that might constitute a hiding place shall be eliminated whenever structurally possible. Pillars, columns, and other open construction should be utilized over a solid wall design.
 - e. Whenever possible, stairwells shall be of open design. When, by necessity, a stairwell is enclosed, convex mirrors should be placed at each stairwell landing, and the stairwell doors should employ as much transparent material as fire code allows.
 - f. Convex mirrors shall be placed inside elevator cabs.
 - g. Access control shall be utilized for vehicular and pedestrian traffic.
 - h. A clearly marked, hands free emergency phone or panic alarm shall be placed centrally in the structure.
 - i. No trespassing/loitering signs shall be placed at all entrances and other appropriate locations.
 - j. Panic button call boxes shall be integrated with a video surveillance system.
- 108) Building:
- a. Stairs shall be well lit with open handrails to allow visibility and prevent hiding spaces.
 - b. Risers shall be enclosed along with the area under the stairs should be enclosed and inaccessible for any use.
 - c. It is advisable to have surveillance equipment for enclosed stairwells and motion detection at main access points.
- 109) Landscaping:
- a. Landscaping shall be well maintained and trimmed so that natural surveillance is not hindered.
 - b. Shrubs shall be kept less than three feet in height and trees should be pruned to a height of 10 feet, consistent with the approved Landscape Plan.
 - c. Walkways shall be direct, follow natural pathways and avoid blind corners.
 - d. The walkways and access points to the open space shall be illuminated and visible.

110) Roof Top:

- a. One of the following shall be utilized on all skylights: Rated burglar-resistant glass or acrylic material or iron bars of at least one half-inch diameter, or flat steel bars of at least one quarter-inch width, spaced no more than five inches apart under the skylight and securely fastened, or grill of at least one eighth-inch steel and two-inch mesh
- b. All hatchway openings on the roof of any building should be secured as follows: If the hatchway is wooden, it should be covered on the outside with at least 16 gage sheet steel or its equivalent, attached in a manner making removal difficult. The hatchway shall be secured from the inside with a slide bar or slide bolts. Only a crossbar or padlock provided by the fire marshal shall be used. Outside pin-type hinges on all hatchway openings shall have non-removable pins.
 - Exterior rooftop ladders should be eliminated or incorporated into the interior design.
 - All air duct or vent openings exceeding 8" by 12" on the rooftop or exterior walls of any building shall be secured by means of:
 - Iron bars of at least one half-inch diameter, or flat steel bars of at least one quarter-inch width, spaced no more than five inches and securely fastened,
 - Grill of at least one eighth-inch steel and two-inch mesh,
 - If the barrier is on the outside, it shall be secured with galvanized rounded-head, flush bolts of at least 3/8" diameter.

Menlo Park Fire Protection District

111) Project will comply with current minimum CA State adopted Fire and Building Codes and local Ordinances at time of plan submittal.

112) Water Supply: Applicant has provided a separate engineered fire flow modeling report dated 11-18-19. This document submitted to Menlo Park Fire Protection District has been correctly calculated, however the following conditions outlined below must be addressed. CFC 2016, Sec. 507.5.1 Appendix B Section 105.2 & Table 105.1:

- a. The 50% reduction is not approved at this time until the outstanding infrastructure improvements to the water mains are finalized with the City of East Palo Alto. This area does not meet minimum State fire flow requirements.
- 113) Public hydrants shall be required at a minimum 300 foot spacing, which will require new fire hydrants installed on all public street (Euclid Ave, O'Connor St, Manhattan Ave, W Bayshore Rd, & O'Keefe St). Be advised fire hydrant minimum spacing is 300 feet but based on the fire flow requirements that spacing may be reduced to less than 300 foot distance. All hydrants to comply to the following:
- a. All fire hydrants shall be wet barrel standard steamer type with 1 4 1/2" (114.3 mm) and 2 2 1/2" (63.5 mm) outlets. MPFPD CFC Sec. 507.5.1 Appendix C:
 - All existing fire hydrants located within 300 foot distance to any new building shall be required to be upgraded to charging condition above.
 - b. Public Fire hydrant shall be positioned within 50 feet from Fire Department Connection (FDC).

- c. Fire Flow Modeling Report page 3 item #2c for Buildings A, B, & C, refer to “maximum distance from any point on the street or road frontage to a hydrant with 50% increase”. This shall be amended to only allow a 150 foot distance from any point on the street to a required fire hydrant.
- 114) The Fire Flow Modeling Report has specific requirements outlined for “Standpipe System Demand”, “Fire Pump Sizing”, and static “Secondary Water Storage Tank Capacity” requirements. These items shall be addressed for compliance as part of the Building Permit Review.
- 115) Fire Apparatus Access: Fire Apparatus Access is to be provided along Euclid Ave, O’Connor St, and Manhattan Ave, these to meet public access for covered and open parking. Aerial Ladder Access to be established along entire public roadway fronting subject properties where overhead electrical wiring shall not be located, the aerial ladder placement shall meet the prescriptive distance requirements outlined in CFC Appendix D105 (2019 edition). The following are general access requirements that apply to subject project:
- a. Fire apparatus roadways, including public and private streets, shall be capable of supporting the imposed weight of a 75,000 pound (34,050 kg) fire apparatus and shall be provided with an all-weather driving surface. Only paved or concrete surfaces are considered to be all weather driving surfaces. CFC Appendix D (2019 edition).
 - b. NOTE ON FIELD PLAN: Fire apparatus roadways, including public or private streets or roads used for vehicle access shall be installed and in service prior to construction. Fire protection water serving all hydrants shall be provided as soon as combustible material arrives on the site:
 - PRIOR TO COMBUSTIBLE MATERIAL ARRIVING ON THE SITE, CONTACT THE MENLO PARK FIRE PROTECTION DISTRICT TO SCHEDULE AN INSPECTION OF ROADWAYS AND FIRE HYDRANTS.
 - c. For buildings 30 feet (9144 mm) and over in height (plan illustrates buildings will range from 5 level, & 9 up to 13 Levels) above natural grade, the required fire apparatus access private roadway shall be a minimum of 26 feet (7925 mm) in width and each building shall be required to have aerial ladder access parallel to at least one entire side of each building, and the fire lane shall be located within a minimum of 15 feet (4572 mm) and a maximum of 30 feet (9144 mm) from the building. CFC Appendix D105 (2019 edition):
 - Fire District staging areas to be located along the entire public roadway fronting each building, provide details illustrating Aerial Ladder Truck Minimum and Maximum climbing angles, plan design shall meet minimum and maximum distance requirements if a climbing angle is less than 50 degrees the roadway shall be adjusted to comply to the charging condition listed above. Note Aerial Ladder requires minimum 4’ setback on any side to allow for outriggers.

ORDINANCE NO. 2022-_____**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF EAST PALO ALTO AND WOODLAND PARK PROPERTY OWNER, LLC RELATING TO THE DEVELOPMENT OF THE WOODLAND PARK EUCLID IMPROVEMENTS PROJECT AT MANHATTAN AVE AND O'CONNOR ST**

WHEREAS, to strengthen the public planning process, encourage private participation in comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Government Code Sections 65864 *et seq.* (the "Development Agreement Statute") which authorizes cities to enter into agreements for the development of real property with any person having a legal or equitable interest in such property in order to establish certain development rights in such property; and

WHEREAS, in accordance with the Development Agreement Statute, the City of East Palo Alto enacted Chapter 18.108 of the East Palo Alto Municipal Code (the "Development Agreement Regulations") to implement procedures for the processing and approval of development agreements in accordance with the Development Agreement Statute; and

WHEREAS, Woodland Park Property Owner, LLC ("Developer") submitted an application requesting approval of a General Plan Amendment (GP19-001) and Development Code and Zoning Map amendments (ZC19-002), Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), Tentative Parcel Map (TTM19-001), and Development Agreement to allow for the construction of a mixed-use residential project containing approximately 605 residential units within three buildings ranging in height from 5 to 13 stories with approximately 605 parking spaces in a structured garage and approximately 2,500 square feet of community function space and 2,215 square feet of neighborhood-serving retail space. (the "Project"); and

WHEREAS, Developer proposes to enter into a Development Agreement with the City of East Palo Alto for the purpose of developing the Project in exchange for contributions to the community, as articulated in the Development Agreement; and

WHEREAS, pursuant to the Development Agreement Statute and Development Agreement Regulations, the Planning Commission held a duly noticed public hearing on July 25, 2022, on the proposed Project and found the proposed Development Agreement is consistent with the objectives of the general plan and the Westside Area Specific Plan, in conformity with public convenience and beneficial to the public welfare, and will not adversely impact the orderly development of property; and

WHEREAS, the City Council, after published notice, held a public hearing on September 6, 2022, concerning the proposed Project and continued the public hearing to September 20, 2022, and considered the reports and documents presented by City staff, the Planning Commission's recommendations, and the written and oral comments presented at the public hearing.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EAST PALO ALTO DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings and Determination.

The City Council hereby finds and declares the above recitals are true and correct. The City Council finds the provisions of the Development Agreement are consistent with the City's General Plan and Westside Area Specific Plan as they exist on the effective date of this ordinance, and hereby incorporates the conformity findings from the City Council staff report dated September 20, 2022. The City Council finds the provisions of the Development Agreement that constitute the project's Inclusionary Housing Plan are consistent with East Palo Alto Municipal Code Section 18.37.080(D) and finds that the alternative compliance method proposed provides greater public benefit than would provision of the inclusionary units on-site due to the preservation of on-site rent-controlled units and provision of off-site income-restricted units.

SECTION 2. Approval of Development Agreement.

Based on the findings herein and in the resolution included in the above recitals, the City Council hereby approves the Development Agreement attached as Exhibit 1 and authorizes the City Manager to execute the Development Agreement, subject to such minor, conforming, or clarifying changes consistent with the terms thereof as may be approved by the City Manager prior to execution thereof, and any and all other documents necessary to effectuate the Development Agreement.

SECTION 3. CEQA

The environmental effects of the Project subject to the Development Agreement were analyzed in the Environmental Impact Report (EIR) (SCH # 2020040270) and Mitigation Monitoring and Reporting Plan, which were certified and approved by the City Council on September 20, 2022 and mitigation measures incorporated into the Project. The City Council also adopted a Statement of Overriding Consideration.

SECTION 4. Severability.

If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional, invalid or ineffective by a court of competent

jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, sentence, clause and phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

SECTION 5. Effective Dates

This Ordinance shall be in full force and effect thirty (30) days after its adoption.

SECTION 6. Publication. The City Clerk is directed to cause publication of this Ordinance as required by Government Code Section 36933.

INTRODUCED at a regular City Council meeting held September 20, 2022, and

PASSED AND ADOPTED at a regular City Council meeting held on _____, 2022, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Ruben Abrica, Mayor

ATTEST:

APPROVED AS TO FORM:

James Colin, City Clerk

Valerie J. Armento, Interim City Attorney

Attachment: Ordinance Approving Development Agreement (with Development Agreement) (2406 : Woodland Park Euclid Improvements)

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City Clerk's Office
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Exempt from Recording Fee
Pursuant to Government
Code Section 27383

Space above this line for Recorder's Use Only

DEVELOPMENT AGREEMENT

by and between

THE CITY OF EAST PALO ALTO

and

WOODLAND PARK PROPERTY OWNER, LLC

City of East Palo Alto, California

Attachment: Ordinance Approving Development Agreement (with Development Agreement) (2406 : Woodland Park Euclid Improvements)

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DEVELOPMENT AGREEMENT

This Development Agreement ("Agreement"), dated for reference purposes only as of this ____ day of _____, 20__, and effective as of the Effective Date (as defined herein), is entered into by and between the CITY OF EAST PALO ALTO, a California municipal corporation (the "City"), and WOODLAND PARK PROPERTY OWNER, LLC, a Delaware limited liability company, doing business as Woodland Park Communities (the "Developer"), with reference to the following facts, purposes, and understandings:

RECITALS

A. Section 65864 et seq. of the California Government Code authorizes City to establish procedures for and to enter into binding development agreements with persons having legal or equitable interests in real property located within the City that is the subject of the development agreement.

B. The City's Municipal Code establishes the procedures for review and approval of development agreements in Chapter 18.108. This Agreement is consistent with the City's development agreement provisions.

C. Developer is the fee owner of that certain property in the City located at 2021 Euclid Ave., 2025 Euclid Ave., 2031 Euclid Ave., 2041 Euclid Ave. (previously known as 420 E. O'Keefe), 2043 Euclid Ave., 2012 Euclid Ave., 2032 Euclid Ave., 2036 Euclid Ave., 2040 Euclid Ave., 2042 Euclid Ave., 2044 Euclid Ave., 2054 Euclid Ave., 501 O'Connor St., 2001 Manhattan Ave., and 2033 Manhattan Ave., designated as Assessor's Parcel Nos. 063282010, 063282020, 063282030, 063282040, 063282050, 063282060, 06328207, 063282080, 063282090, 063281020, 063281030, 063281040, 063281100, and 063281110, and more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the "Property").

D. Developer desires to develop on the Property a project (the "Project") consisting of the replacement of several aging, outdated structures containing, as of the Effective Date, 160 rent-stabilized rental apartment units and one single family rental (non-RSO) unit, with new buildings containing up to 605 rental apartment units, 160 of which will be subject to the RSO in accordance with a deed restriction, replacing the existing apartment units one-for-one, together with publicly available private open space, common areas (including meeting room), parking, and associated facilities, in accordance with the provisions of this Agreement, the Project Approvals (defined below), and other applicable regulations of the City of East Palo Alto and other governmental agencies having jurisdiction over the Property.

E. On ____, 20__, City's Planning Commission held a duly noticed public hearing on this Agreement and (i) determined that this Agreement complies in all respects with CEQA, (ii) determined that this Agreement is consistent with the City's General Plan, and, (iii) recommended that the City Council approve this Agreement.

F. The following approvals (including all conditions of approval thereto), entitlements, and findings are being concurrently reviewed and approved herewith by the City with

respect to the Property and the Project and, collectively together with this Agreement, constitute the "Existing City Approvals":

- (1) The EIR (as defined below) and applicable provisions of the related Mitigation, Monitoring, and Reporting Program ("MMRP"), by City Council Resolution No. __;
- (2) General Plan Amendment by City Council Resolution No. __ ("GPA");
- (3) Zone Change by City Ordinance No. ___;
- (4) Development Code (Zoning Text) Amendment by City Ordinance No. ___;
- (5) Conditional Use Permit for Merger, Demolition or Elimination of Affordable Dwelling Units by City Council Resolution No. ___;
- (6) Vesting Tentative Parcel Map ____, by City Council Resolution No. ___;
- (7) Design Review Permit, by City Council Resolution No. ___;
- (8) Tree Removal Permit, by City Council Resolution No. ___;
- (9) The Adopting Ordinance (as defined below); and
- (10) Relocation Plan, by City Council Resolution No. _____.

G. On __, 20__, the City examined the environmental effects of the Project in an Environmental Impact Report (State Clearing House # __), comprised of a Draft Environmental Impact Report and Final Environmental Impact Report (the "EIR") prepared pursuant to CEQA. On __, 20__, the City Council reviewed and certified as adequate and complete the EIR by Resolution No. ___ and adopted written findings and approved the MMRP.

H. On _____, 20__, the City Council held a duly noticed public hearing on this Agreement and considered the Planning Commission's recommendations and testimony and information submitted by City staff, Developer, and members of the public, and found this Agreement to be consistent with the City's General Plan and introduced Ordinance No. ____, approving this Agreement.

I. On _____, 20__, the City Council adopted Ordinance No. _____ enacting this Agreement (the "Adopting Ordinance").

J. The development of the Project also may require certain Subsequent City Approvals (as defined below).

NOW, THEREFORE, in consideration of the foregoing recitals of fact and the mutual covenants and promises set forth herein, the City and Developer hereby agree as follows:

AGREEMENT

ARTICLE I DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, the following defined terms are used in this Agreement:

1.1.1 "Adopting Ordinance" shall mean City Council Ordinance No. ____ approving and adopting this Agreement.

1.1.2 "Agreement" shall mean this Development Agreement, as the same may be amended from time to time.

1.1.3 "Applicable City Regulations" shall mean and consist of:

- (a) The General Plan of the City in effect as of the Effective Date;
- (b) The Municipal Code of the City ("Municipal Code") in effect as of the Effective Date;
- (c) The City Approvals (including this Agreement) and their terms and conditions;
- (d) Other City Regulations applicable to the Property in effect as of the Effective Date, except as provided in Section 3.2.
- (e) New City Regulations that apply to the Property as set forth in Section 3.4; and
- (f) Other City Regulations that apply to the Property as set forth in Section 3.3.

1.1.4 "Applicable Law" shall mean (a) all State and Federal laws and regulations applicable to the Property and the Project as enacted, adopted and amended from time to time and (b) the Applicable City Regulations.

1.1.5 "Approved Plans" shall mean those plans and specifications with respect to the Project, titled "_____", dated _____, prepared by _____, comprised of Sheets ____ through _____, inclusive, and approved by the City by the Design Review Permit for the Project.

1.1.6 "CEQA" shall mean the California Environmental Quality Act (California Public Resources Code Sections 21000-21177) and the implementing regulations promulgated thereunder by the Secretary for Resources (California Code of Regulations, Title 14, section 15000 *et seq.*).

1.1.7 "City" shall mean the City of East Palo Alto, a municipal corporation, and any successor or assignee of the rights and obligations of the City of East Palo Alto hereunder.

1.1.8 "City Approvals" shall mean, collectively, the Existing City Approvals and the Subsequent City Approvals.

1.1.9 "City Council" shall mean the governing body of the City.

1.1.10 "City Planning Commission" shall mean the duly appointed and constituted planning commission of the City.

1.1.11 "City Regulations" shall mean, individually and collectively, (i) the General Plan and the Municipal Code, as adopted and amended by the City from time to time, and (ii) all other ordinances, resolutions, rules, regulations, requirements, standards, policies, conditions, specifications, and plans of the City, as adopted and amended by the City from time to time, including those governing zoning, subdivisions and subdivision design, land use, rate of development, growth control, density, building size, public improvements and dedications, construction standards, new construction and use, design standards, permit restrictions, development fees or exactions, terms and conditions of occupancy, or environmental guidelines or review, including those relating to hazardous substances.

1.1.12 "Compliance Letter" shall mean a letter submitted by Developer describing Developer's compliance with the terms of the City Approvals and this Agreement.

1.1.13 "Conditions " shall mean any and all conditions, terms, restrictions, or requirements (including dedications, fees, and exactions) imposed by the City on any City Approvals or otherwise imposed by the City on the Project or the Property.

1.1.14 "Developer" shall mean the Developer identified in the first paragraph of this Agreement and any successor or assignee to all or any portion of its right, title, and/or interest in and to ownership of all or a portion of the Property and/or the Project.

1.1.15 "Developer Affiliate" shall mean an entity or person that is directly or indirectly controlling, controlled by, or under common control with Developer. For purposes of this definition, "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an entity or a person, whether through the ownership of voting securities, by contract, or otherwise, and the terms "controlling" and "controlled" have the meanings correlative to the foregoing.

1.1.16 "Development Agreement Statute" shall mean California Government Code Sections 65864-65869.5, inclusive.

1.1.17 "Director" shall mean the City's Planning Division Manager or his/her authorized designee.

1.1.18 "Effective Date" shall mean the date the Adopting Ordinance becomes effective.

1.1.19 "Exactions" shall mean exactions imposed by the City as a condition of developing the Project, including requirements for acquisition, dedication or reservation of land or provision of tenant relocation benefits (on-site or off-site); and obligations to construct on-site or

off-site public and private infrastructure improvements such as roadways, utilities or other improvements necessary to support the Project, whether such exactions constitute subdivision improvements, mitigation measures in connection with environmental review of the Project, or impositions made under Applicable City Regulations.

1.1.20 "Freeze Period" shall mean the time period from the date Developer submits a complete application for the first building permit until the date such building permit is issued. The Freeze Period shall not extend beyond the expiration or earlier termination of this Agreement.

1.1.21 "General Plan" shall mean the City's 2035 General Plan adopted by the City Council on October 4, 2016, the final version of which was published in March 2017, as amended by the GPA.

1.1.22 "Mitigation Measures" shall mean the mitigation measures and related monitoring program applicable to the Project as set forth in the MMRP, as may be modified in any required subsequent CEQA review for the Project Approvals.

1.1.23 "Mortgage" shall mean the mortgage, deed of trust, sale and leaseback arrangement, or any other form of conveyance in which the Property, or a part or interest in the Property, is pledged as security and contracted for in good faith and for fair value.

1.1.24 "Mortgagee" shall mean the holder of a beneficial interest under a Mortgage or any successor or assignee of the Mortgagee.

1.1.25 "Net New Units" shall mean the number of net new rental housing units in the Project for which the City issues all necessary City Approvals (including building permits), calculated by subtracting from the total number of new rental housing units approved for the Project the total number of rental housing units existing at the Property as of the Effective Date (which total number of existing rental housing units is 161).

1.1.26 "Other Agency" shall mean any Federal, State, regional, or local governmental agency (other than City) with jurisdiction over the Property or the Project.

1.1.27 "Parks, Recreation, and Open Space Master Plan" shall mean a parks, recreation, and open space master plan, and amendments thereto, as may be adopted by the City prior to the Developer's application for a grading permit for the Project.

1.1.28 "Parties" shall mean Developer and City, and their respective successors and assigns under this Agreement.

1.1.29 "Permitted Delay" shall mean a delay in the performance by any Party of an obligation under this Agreement caused by an event beyond the reasonable control and without the fault of the Party claiming the delay (and despite the good faith efforts of such Party) first arising after the Effective Date, including, but not limited to: (i) acts of God; (ii) civil commotion; (iii) riots; (iv) strikes, picketing or other labor disputes; (v) shortages of materials or supplies; (vi) damage to work in progress by reason of fire, floods, earthquake or other casualties; (vii) a default under this Agreement by the other Party; (viii) as to City only, with respect to completion of the Annual Review or to processing applications for City Approvals, the failure, delay or inability of

Developer to provide adequate information or substantiation as reasonably required to complete the Annual Review or process applications for Subsequent City Approvals; (ix) restrictions imposed or mandated by any Other Agencies, or delays by any Other Agencies in processing or issuing any Other Agency Approvals (including but not limited to any "will serve" letters); (x) enactment of conflicting State or Federal laws or regulations, (xi) judicial decisions or similar legal incapacity to perform, (xii) epidemics and pandemics, including COVID 19 (or variant)-induced restrictions on the ability of any Party to perform its obligations of this Agreement; and (xiii) litigation brought by a third party attacking the validity of this Agreement or any provision thereof or any action to be taken pursuant to this Agreement. Developer's inability to obtain Project or other financing and any Party's inability to make a payment when due shall not be basis of a Permitted Delay.

1.1.30 "Project" shall mean the Project as described and defined in Recital D.

1.1.31 "Project Approvals" shall mean, collectively, the City Approvals and the Other Agency Approvals.

1.1.32 "Property" is defined in Recital C.

1.1.33 "Public Improvements" shall mean all roads, parks, drainage, sewer, water, and utility improvements, and all other infrastructure and improvements for the Project that may or are to be dedicated or otherwise made available for public use pursuant to this Agreement or the Project Approvals.

1.1.34 "RSO" shall mean the Rent Stabilization and Just Cause for Eviction Ordinance of 2010 (Municipal Code Chapter 14.04) in effect as of the Effective Date.

1.1.35 "Subdivision Maps" shall mean any tentative or vesting tentative map, final map, tentative or vesting tentative parcel map, and parcel map, as those terms are defined in the Subdivision Map Act (California Government Code Sections 66410 et seq.) and the Municipal Code, and any amendments or modifications thereto and any lot line adjustments.

1.1.36 "Subsequent City Approvals" shall mean any and all subsequent City land use approvals, entitlements, permits, consents, and agreements (other than the Existing City Approvals), as may be necessary or desirable for implementation of the Project and this Agreement, including without limitation, the following: amendments of the Existing City Approvals, grading permits, building permits, sewer and water connection permits, certificates of occupancy, lot line adjustments, site plans, development plans, land use plans, building plans and specifications, Subdivision Maps, conditional use permits, variances, design review, demolition permits, improvement agreements, encroachment permits, regulatory agreements, TDM plan or program, and any amendments to, or repealing of, any of the foregoing.

1.1.37 "Term" is defined in Section 2.3.

1.1.38 "Third Party Challenge" shall mean any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement.

1.2 Capitalized Terms. If any capitalized terms contained in this Agreement are not defined above, then any such terms shall have the meaning otherwise ascribed to them in this Agreement.

ARTICLE II GENERAL PROVISIONS

2.1 Parties.

2.1.1 Developer Representations and Warranties.

(a) Developer represents and warrants that, as of the Effective Date of this Agreement, Developer is:

- (i) the sole fee owner of the Property;
- (ii) Duly organized and validly existing under the laws of the State of California;
- (iii) Qualified and authorized to do business in the State of California and has duly complied with all requirements pertaining thereto;
- (iv) In good standing and has all necessary powers under the laws of the State of California to own property and in all other respects enter into and perform the undertakings and obligations of this Agreement.

(b) Developer further represents and warrants:

- (i) That no approvals or consents of any persons are necessary for the execution, delivery or performance of this Agreement by Developer, except as have been obtained;
- (ii) That the execution and delivery of this Agreement and the performance of the obligations of Developer have been duly authorized by all necessary actions and approvals required under any management and operating agreement for the limited liability company constituting Developer; and
- (iii) That this Agreement is a valid obligation of Developer enforceable in accordance with its terms.

2.1.2 Relationship of City and Developer.

It is understood that this Agreement is a contract that has been negotiated and voluntarily entered into by City and Developer and that the Developer is an independent contractor and not an agent or partner of City.

City and Developer hereby renounce the existence of any form of joint venture or partnership between them, and agree that nothing contained in this Agreement or in any document executed

in connection with this Agreement shall be construed as making City and Developer joint venturers or partners.

2.2 Recording.

Within ten (10) days after the Effective Date, the City Clerk shall cause recordation of this Agreement with the County Recorder against the Property.

2.3 Term.

The term of this Agreement (the "Term") shall commence upon the Effective Date and shall terminate seven (7) years following the Effective Date, unless sooner terminated as hereinafter provided. Notwithstanding the above Term, if prior to the seventh (7th) anniversary of the Effective Date, the Developer submits to the City a complete application for a building permit for the Project including construction drawings, the Term of this Agreement shall be automatically extended for five (5) years.

ARTICLE III DEVELOPMENT OF THE PROPERTY

3.1 Use of the Property and Applicable Law.

3.1.1 Subject to Agreement.

The Property is hereby made subject to the provisions of this Agreement. All development of, or on, the Property, or any portion thereof, shall be undertaken only in compliance with the provisions of this Agreement and with Applicable Law.

3.1.2 Vested Rights.

The overall design, development, construction, and use of the Project and all improvements in connection therewith, including without limitation, permitted uses of the Property, the maximum density and/or number of residential units and commercial development, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, provisions for payment of fees and other exactions, the conditions, terms, restrictions, and requirements for subsequent discretionary actions, the provisions for and financing for Public Improvements, and the other terms and conditions of development applicable to the Property as set forth in:

- This Agreement;
- The City Approvals; and
- The Applicable City Regulations;

are hereby vested in Developer, subject to the provisions of this Agreement (the "Vested Elements"). The intent of this Section 3.1.2 is to cause all development rights which may be

required to develop the Project in accordance with this Agreement and the City Approvals to be deemed to be "vested rights" as that term is defined under California law applicable to the development of land or property and the right of a city to regulate or control such development of land or property. City hereby agrees to be bound with respect to the Vested Elements, subject to Developer's compliance with the terms and conditions of this Agreement and the Project Approvals. By stating that the terms and conditions of this Agreement and the Project Approvals control the overall design, development and construction of the Project, this Agreement is consistent with the requirements of California Government Code Section 65865.2 (requiring a development agreement to state permitted uses of the property, the density or intensity of use, the maximum height and size of proposed buildings and provisions for reservation or dedication of land for public purposes). Notwithstanding the preceding provisions of this Section 3.1.2 or any other provision in this Agreement to the contrary, in the event of any conflict between the terms and conditions of any City Approvals (including Developer's rights and obligations thereunder) other than this Agreement, including without limitation any Subsequent City Approvals, and the terms and conditions of this Agreement (including Developer's rights and obligations hereunder), the terms and conditions of this Agreement (including Developer's rights and obligations hereunder) shall control.

3.1.3 Existing City Approvals and Applicable City Regulations. Prior to the Effective Date, the Developer shall have prepared two (2) sets of the Existing City Approvals and Applicable City Regulations, one (1) set for City and one (1) set for Developer, to which shall be added from time to time, Subsequent City Approvals, so that if it becomes necessary in the future to refer to any of the City Approvals or Applicable City Regulations, there will be a common set available to the Parties. Failure to include in the sets of City Approvals and Applicable City Regulations any rule, regulation, policy, standard or specification that is within the Applicable City Regulations and City Approvals as described in this Agreement shall not affect the applicability of such rule, regulation, policy, standard or specification.

3.2 No Conflicting Enactments.

Except as otherwise expressly provided in this Agreement, any City Regulations that conflict with any Vested Elements shall not apply to the Project or the Property. For purposes of this Section 3.2 and Sections 3.3, 3.4 and 3.9, the word "conflict" means and refers to any City Regulation that has or purports to have any of the following effects: (i) reduces or limits the maximum density and intensity of use (including but not limited to the number, square footage and floor area ratios of buildings, the overall maximum number and square footage of residential units, parking or loading spaces, and the maximum amount of development space), or the maximum height, bulk or size of proposed buildings from that permitted by the City Approvals; (ii) changes any land use designation or permitted use of the Property from that shown in the City Approvals; (iii) limits, controls or delays the rate, timing, phasing or sequencing of the development, or construction of all or any part of the Property except as set forth in the Vested Elements; (iv) limits or restricts any right or use specifically granted by the Vested Elements; (v) limits the location of building sites, grading or other improvements on the Property in a manner that is inconsistent with the Project Approvals; (vi) imposes conditions upon development of the Property other than as permitted by the Vested Elements; (vii) contravenes, precludes or renders infeasible compliance with any provision of the Vested Elements; (viii) applies to the Project or the Property any New City Regulations (as defined in and subject to Section 3.4) that are not uniformly applied on a City-wide

basis to all substantially similar types of development projects and project sites (i.e., to all rental residential projects, to all commercial projects, to all mixed-use projects etc.); (ix) imposes against the Project or the Property any condition, dedication or other Exaction not specifically authorized by the Vested Elements; or (x) imposes against the Project or the Property any obligations regarding affordable housing or relocation not specifically required by the Existing City Approvals.

3.3 Reservations of Authority.

The development of the Project will require Subsequent City Approvals. At the time Subsequent City Approvals are applied for, the following City Regulations shall apply to those Subsequent Approvals:

3.3.1 Subject to Section 4.3.2, all Processing Fees which are in force and effect within the jurisdiction of the City for the class of Subsequent City Approvals being applied for.

3.3.2 Subject to Section 4.3.3, all Impact Fees, other fees, or other monetary and non-monetary exactions imposed by the City which are in force and effect within the jurisdiction of the City for a broadly based class of land, projects, or discretionary or ministerial approvals, or taxpayers, as applicable, on which they are imposed.

3.3.3 Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals and any other matter of procedure, which are in force and effect within the jurisdiction of the City for the class of City Permits being applied for.

3.3.4 Regulations governing construction standards and specifications including, without limitation, the City's building code, plumbing code, mechanical code, electrical code, fire code and grading code, all provisions of Title 15 of the East Palo Alto Municipal Code, and all other uniform construction codes which are in force and effect within the jurisdiction of the City for the class of Subsequent City Approvals being applied for.

3.4 Subsequently Enacted Rules and Regulations.

The City may during the term of this Agreement apply such new City Regulations ("New City Regulations") that are in force and effect within the jurisdiction of the City for the class of Subsequent City Approvals being applied for and which are not in conflict with the terms of this Agreement (including the Vested Elements) or the City Approvals. To the extent any New City Regulation conflicts with the terms of this Agreement (including the Vested Elements) or the City Approvals, the terms of this Agreement or the City Approvals, as applicable, shall prevail and to such extent, such New City Regulation shall not apply to the Property or the Project.

3.5 Nexus/Reasonable Relationship Waiver.

Developer consents to, and waives any rights it may have now or in the future, to challenge with respect to the Project or Existing City Approvals, the legal validity of, the conditions, requirements, policies, or programs applicable to the Project pursuant to this Agreement, the Existing City Approvals or Applicable City Regulations, including, without limitation, any claim

that they constitute an abuse of police power, violate substantive due process, deny equal protection of the laws, effect a taking of property without payment of just compensation, or impose an unlawful tax. In the event Developer challenges any newer, subsequently enacted, City Regulation, enacted by City in accordance with and subject to Section 3.4, or any increased or new fee permitted under and subject to Sections 3.3 and 4.3, on any grounds other than the City's breach of the provisions of those Sections, City shall have the right to withhold additional development approvals or permits until the matter is resolved; provided, however, Developer shall have the right to make payment or performance under protest, and thereby receive the additional approval or permit while the matter is in dispute.

3.6 Initiatives and Referenda.

3.6.1 If any City Regulation is enacted or imposed by a citizen-sponsored initiative or referendum, or by the City Council directly or indirectly in connection with any proposed initiative or referendum, which City Law would conflict with this Agreement or the City Approvals, such City Law shall not apply to the Project. The parties, however, acknowledge that the City's approval of this Agreement is a legislative action subject to referendum.

3.6.2 Without limiting the generality of any of the foregoing, no City-adopted moratorium or other limitation (whether growth control or otherwise relating to the rate, timing, phasing or sequencing of development) affecting Subdivision Maps, building permits, or other Subsequent Approvals shall apply to the Project. Developer agrees and understands that the City does not have authority or jurisdiction over another public agency's authority to grant a moratorium or impose any other limitation that may affect the Project.

3.6.3 The timing, sequencing, and phasing of the development is solely the responsibility of Developer so long as it is consistent with Applicable Law. In particular, the parties desire to avoid the result of *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465, where the failure of the parties therein to consider and expressly provide for the timing of the development resulted in a later adopted initiative restricting the timing of development to prevail over such parties' agreement. While, as of the Effective Date, the Parties anticipate development of the Project in no more than two phases, it may become necessary for financing, marketing, then-current market conditions or other reasons to develop the Project in more than two phases. The Parties therefore acknowledge that Developer shall have the right to develop the Project at such time, and in any such phases, as Developer deems appropriate so long as such development is consistent with Applicable Law.

3.6.4 The City shall cooperate with Developer and shall undertake such actions as may be necessary to ensure this Agreement remains in full force and effect.

3.7 Compliance With Requirements of Other Governmental Entities.

3.7.1 During the Term, Developer, at no cost to City, shall comply with lawful requirements of, and obtain all permits and approvals required by Other Agencies in furtherance of this Agreement ("Other Agency Approvals"). Developer shall pay all required fees when due to Other Agencies and acknowledges that City does not control the amount of any such fees.

3.7.2 City shall cooperate with Developer in Developer's effort to obtain Other Agency Approvals, provided that same does not impose any costs on or require the City to incur any costs without compensation or reimbursement, or require the City to amend any of the City's policies, regulations, or ordinances.

3.7.3 As provided in California Government Code § 65869.5, this Agreement shall not preclude the application to the Property and Project of changes in laws, regulations, plans, or policies, to the extent that such changes are specifically mandated and required by changes in State or Federal laws or regulations. In the event changes in the law prevent or preclude compliance with one or more provisions of this Agreement, this Agreement shall be modified or suspended as may be necessary to comply with such State or Federal laws or regulations. The parties shall meet and confer in good faith in order to determine whether such provisions of this Agreement shall be modified or suspended as may be necessary to comply with changes in the law, and City and Developer shall agree to such action as may be reasonably required. It is the intent of the parties that any such modification or suspension be limited to that which is necessary and to preserve to the extent possible the original intent of the parties in entering into this Agreement. This Agreement shall remain in full force and effect to the extent it is not inconsistent with such laws or regulations. Nothing in this Agreement shall preclude the City or Developer from contesting by any available means (including administrative or judicial proceedings) the applicability to the Property or Project of any such State or Federal laws or regulations.

3.7.4 To the extent that any actions of Federal or State agencies (or actions of other governmental agencies, including City, required by Federal or State agencies, or actions of City taken in good faith to prevent adverse impacts upon City by actions of Federal, State or other governmental agencies) have the effect of preventing, delaying, or modifying development of the Property or any portion thereof, City shall not in any manner be liable for any such prevention, delay, or modification. Such actions include, but are not limited to, flood plain or wetlands designations and actions of City or other governmental agencies as a result; the imposition of air quality or transportation measures or sanctions and actions of City or other governmental agencies as a result; or changes to CEQA and actions of City or other governmental agencies as a result. As a condition to being able to proceed with development, Developer may be required, at its cost, to participate in such regional or local programs and to be subject to such development restrictions as may be necessary or appropriate by reason of actions of Federal, State or other governmental agencies (or action of City taken in order to prevent adverse impacts upon City by actions of Federal, State, or other governmental agencies).

3.8 City's Police Power.

The parties acknowledge and agree that the limitations, reservations, and exceptions contained in this Agreement are intended to reserve to the City that part of its police power which cannot be limited by contract, and this Agreement shall be construed to reserve to the City that part of its police power which cannot be restricted by contract.

3.9 Subsequent City Approvals for the Property.

3.9.1 Processing of Subsequent City Approvals. Applications for Subsequent City Approvals are anticipated to be submitted to the City by Developer. Applications for

Subsequent City Approvals shall be processed and considered in a manner consistent with the rights granted by this Agreement and Applicable Law, including without limitation the Existing City Approvals. At such time as any Subsequent City Approval is approved by the City, then such Subsequent Approval shall become subject to all the terms and conditions of this Agreement applicable to City Approvals and shall be treated as a "City Approval" for all purposes under this Agreement.

3.9.2 Scope of Review of Subsequent City Approvals. By approving the Existing City Approvals, City has made a final policy decision that the development of the Project consistent with the Vested Elements is in the best interests of the public health, safety and general welfare. Accordingly, City shall not use its authority in considering any application for a Subsequent City Approval that is consistent with the Vested Elements to change the policy decisions reflected by the Vested Elements, or otherwise to prevent, delay or render infeasible development of the Project as set forth in the City Approvals. The City shall not deny an application for a Subsequent Project Approval that is consistent with the Vested Elements, unless and to the extent otherwise required pursuant to Section 3.7.3 or Section 3.7.4. Nothing herein shall limit the ability of the City to require the necessary reports, analysis, or studies to assist in determining whether the requested Subsequent City Approvals are consistent with the Vested Elements. Notwithstanding the foregoing, this Agreement shall not prevent the City, in acting on Subsequent City Approvals, from applying land use regulations which do not conflict with the Vested Elements.

3.9.3 Conditions of Subsequent City Approvals. City shall have the right to impose reasonable Conditions upon Subsequent City Approvals; provided, however, such Conditions (a) shall not limit or prevent development of the Property for the uses and to the density and intensity of development included in the Existing City Approvals and any other City Approvals previously granted, (b) shall not require dedications or reservations for, or construction or funding of, Public Improvements beyond those already included or referenced in the Existing City Approvals, the Mitigation Measures (except to the extent required by CEQA in connection with any Subsequent City Approvals) or Section 4.4, and (c) shall not otherwise conflict with the Vested Elements. Developer may protest any Conditions while continuing to develop the Property, provided however, if Developer's protest relates to fees or exactions Developer may pay such fees or exactions under protest pursuant to Section 3.5.

3.9.4 Subdivision Maps. Developer may from time to time file applications for Subsequent City Approvals of Subdivision Maps (including provisions therein for phased Subdivision Maps) with respect to some or all of the Property in accordance with applicable provisions of the Subdivision Map Act and the Municipal Code. All Subdivision Maps may be processed in phases. City shall exercise its discretion in reviewing such Subdivision Map applications in accordance with this Section 3.9.

3.10 Life of City Approvals.

The terms of (a) any Subdivision Maps included within the City Approvals and (b) all other City Approvals shall automatically be extended for the longer of the duration of this Agreement (including any extensions thereof) or the term otherwise applicable to the City Approvals if this Agreement is no longer in effect.

ARTICLE IV OTHER RIGHTS AND OBLIGATIONS OF THE PARTIES

4.1 Generally. In addition to any other obligations of Developer set forth herein, in consideration of City entering into this Agreement, Developer has agreed that if Developer commences development of the Property and proceeds to develop the Property, such development shall be in conformance with all of the terms, covenants, and requirements of this Agreement and Applicable Law, and Developer shall perform those specific obligations identified in the Project Approvals. Without limiting the preceding sentence, Developer shall pay when due any and all processing fees, impact fees, and costs which are lawfully imposed with respect to all or any portion of the Project in accordance with and subject to the terms of this Agreement, whether imposed by City or other agencies. As a material inducement to City to enter into this Agreement, Developer further agrees that, as long as this Agreement is in effect, Developer shall comply with all of its payment and other obligations under this Article IV.

4.2 Agreement Controls. To the greatest extent allowed by law, the provisions of this Agreement shall govern and control the City Regulations to be applied to the Project and the Property over any contrary or inconsistent provisions of the Development Agreement Statute. The Parties waive the benefits of the Development Agreement Statute to the extent it may be inconsistent or contrary to the provisions of this Agreement.

4.3 Payment of Fees, Taxes and Assessments.

4.3.1 General. All fees, exactions, dedications, reservations or other impositions to which the Project would be subject, but for this Agreement, are referred to in this Agreement either as "Processing Fees" or "Impact Fees" (as defined below). Developer shall timely pay or perform, as applicable, all Processing Fees and Impact Fees applicable to the Project or the Property in accordance with the terms of this Agreement.

4.3.2 Processing Fees. As used in this Agreement, "Processing Fees" means all fees charged on a City-wide basis to cover the cost of City review and processing of development project applications, including any required supplemental or other further environmental review, plan checking (time and materials) and inspection and monitoring for land use approvals, design review, grading and building permits, General Plan maintenance fees, and other permits and entitlements required to implement the Project, which are in effect at the time those permits, approvals or entitlements are applied for, and which fees are intended to cover the City's actual and reasonable costs of processing the foregoing. Processing Fees are not Impact Fees. Subject to Developer's right to protest and/or pursue a challenge in law or equity to any new or increased Processing Fees, City may charge and Developer agrees to pay all Processing Fees which are in effect on a City-wide basis at the time Subsequent City Approvals are applied for. Processing Fees shall be paid in accordance with any separate reimbursement agreement between the City and Developer ("Reimbursement Agreement") in effect at the time of such payment, the provisions of which shall control in the event of any conflict with the provisions of this Agreement regarding Processing Fees. If no such Reimbursement Agreement is then in effect, Processing Fees shall be paid in accordance with applicable provisions of the Municipal Code and the provisions of this Section. Without limiting the foregoing, Developer shall reimburse City or pay directly all

reasonable and actual costs relating to the hiring of consultants and the performing of studies as may be necessary to review or process any applications for City Approvals or perform any related environmental review.

4.3.3 Impact Fees.

(a) Definition. As used in this Agreement, "Impact Fees" means all fees, charges, contributions, exactions, dedications, reservations, or impositions, other than taxes and assessments, whether established for or imposed upon the Project individually or as part of a class of projects, that are imposed by City on the Project in connection with any City Approval for any purpose, including, without limitation, defraying all or a portion of the cost of public services and/or facilities construction, improvement, operation and maintenance attributable to the impact or burden created by the Project. Impact Fees do not include: (a) any Processing Fees; (b) any Mitigation Measure (unless the Mitigation Measure consists of payment of an Impact Fee); (c) any inclusionary or other affordable housing in-lieu fees (which are governed by the provisions of Section 4.5); (d) any Community Benefits to be provided by Developer hereunder (which are governed by the provisions of Article V); (e) taxes or special assessment; (f) any utility connection fees in effect from time to time generally applicable on a City-wide basis to similar land uses as the Project; (g) any fees, taxes, assessments, or impositions imposed by the City or other entities that the City collects on behalf of such other entities, including without limitation school fees or regional transportation impact fees, all of which shall be due and payable by Developer as and when due in accordance with Applicable Law; or (h) any relocation payments or benefits. Without limiting the preceding, the Impact Fees in existence as of the Effective Date are set forth in attached Exhibit B ("Existing Impact Fees").

(b) Payment.

(i) Generally. Subject to the provisions of this Section 4.3.3, Developer shall pay all applicable Impact Fees at the time that Developer obtains the first building permit for the Project.

(ii) Freeze Period. Notwithstanding any provision herein to the contrary, during the Freeze Period no new or increased Impact Fees shall apply to the development of the Project, except that the amounts of the Existing Impact Fees shall be subject to adjustment for inflation pursuant to Municipal Code Section 13.28.100.A in effect as of the start of the Freeze Period. Notwithstanding the foregoing, if the East Palo Alto Sanitary District becomes integrated into the City government, new or increased Impact Fees related to sewer and sanitation are not subject to the Freeze Period.

(c) Fee Credits. Developer shall receive the benefit of the following types and amounts of credits against Impact Fees payable by Developer hereunder:

(i) Water Tank and Pump Station Credit. Developer shall receive a credit against water capacity fees for the cost of the water tank improvements and related land. Developer shall receive a credit against public facilities fees for the cost of pump station improvements and related land. The cost of the water tank, pump station and related land that exceeds the amount of the required fees shall be considered a community benefit provided the

value of the community benefit is not less than \$2,000,000. If the cost of the water tank, pump station and related land is less than the sum of \$2,000,000 plus the total amount of the required fees, the Developer shall pay the difference to the City as a community benefit payment. If for any reason, Developer is not required to build the water tank, Developer shall be required to pay the full amount of water capacity fees and public facilities fees as well as a community benefit payment of \$2,000,000;

(ii) Transportation Infrastructure Credit. Developer shall receive a credit against transportation infrastructure impact fees for specific streetscape or frontage improvements, including on-street parking that increases the number of on-street stalls beyond what would be provided with parallel parking, bike lanes, and other transportation infrastructure, above City standards as stated in Municipal Code Section 15.04.040. Improvements included toward the credit against transportation infrastructure impact fees will include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the Project to the University Circle complex, to facilitate greater neighborhood connection and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. City approval of the crosswalk will be required as part of the building permit review;

(iii) Park Credit. Developer shall receive a credit against parks and trails fees for the cost of constructing the Park Space (including children's play area, gathering area, and fitness area together with associated landscaping and hardscaping) for public use as described in Section 5.1.1. The cost of the Park Space above the required fees shall be considered a community benefit; and

(iv) Storm Drainage Infrastructure Credit. Developer shall receive a credit against storm drainage fees for the cost of storm drainage infrastructure improvements to reduce storm water impacts and discharge rates. The cost of storm drainage improvements above the required fees will be considered a community benefit.

4.3.4 Connection Fees. Developer shall pay connection fees lawfully assessed by utility providers and other agencies assessing such fees at the rates in effect from time to time, including any utility or connection fees assessed by the City.

4.3.5 Other Agency Fees. Nothing in this Agreement shall preclude the City from collecting fees from Developer that are lawfully imposed on the Project by an Other Agency, which the City is required to collect pursuant to Applicable Law.

4.4 Public Improvements. Except as expressly set forth in the Project Approvals or Section 4.3.3(b)(iv) or elsewhere in this Agreement, Developer shall be responsible, at its sole

cost, for the construction and installation of all Public Improvements for the Project required by Applicable Law and the City Approvals.

4.5 Affordability Requirements. Except as otherwise defined herein, all capitalized terms used in this Section 4.4 shall have the meanings ascribed to them in the City Affordable Housing Guidelines (as defined in Section 4.5.1 below).

4.5.1 Affordable Housing Plan. This Section 4.5 shall constitute both the Affordable Housing Plan for the Project required by Municipal Code section 18.38.060 and the Inclusionary Housing Plan required by Municipal Code section 18.37.090.A, as well as the affordable housing agreement required by Municipal Code section 18.37.090.B, which incorporates an alternative compliance option, and shall be deemed to satisfy, and satisfy, any and all of the Project's obligations pursuant to Municipal Code Chapters 18.35 (Affordable Housing - Basic Provisions), 18.37 (Inclusionary Housing) and 18.38 (Affordable Housing Impact Fee - Residential Development) (collectively, together with any and all inclusionary housing guidelines and other City Regulations pertaining to affordable housing, the "City AH Regulations"), including without limitation the obligation to provide any other or additional affordable rental housing units ("AH Units") or pay any Affordable Housing Impact Fee, and no additional Conditions with respect to affordable housing will be imposed by City under the City AH Regulations or otherwise.

4.5.2 Off-Site Affordable Housing Units. It is the mutual intent of the Parties under this Section 4.5 that the AH Developer (defined below) shall construct the Off-Site AH Units (defined below) on an Off-Site AH Parcel (defined below), which Off-Site AH Parcel shall be encumbered by a regulatory agreement to be recorded against the Off-Site AH Parcel and transferred to the AH Developer (as defined below). The City AH Guidelines provide in this instance that, in the absence of an alternative compliance option approved by the City Council, a total number of on-site AH Units (affordable to households meeting the income levels specified in the City AH Guidelines) ("On-Site AH Units") equal to 20% of the Net New Units would be required to be developed on the Property. In accordance with all applicable requirements of the City AH Regulations, the City Council hereby approves the following alternative compliance option (the "Approved Compliance Option"):

(a) Eden Housing or such other nonprofit affordable housing developer (or partnership or limited liability company controlled by Eden Housing and/or such other nonprofit affordable housing developer) (the "AH Developer") reasonably acceptable to City and under appropriate contract with Developer to provide AH Units off-site of the Property ("Off-Site AH Units") will construct a total number of Off-Site AH Units equal to 20% of the Net New Units at one or more off-site parcels in the City owned or controlled by Developer or a Developer Affiliate as of the time of donation of such parcel(s) to the AH Developer pursuant to the provisions hereof (the "Off-Site AH Parcel"). Developer shall notify City in writing of the precise location and description of the anticipated Off-Site AH Parcel no later than the issuance of the first building permit for dwelling units at the Project. The 5% difference between the number of On-Site AH Units (that would otherwise be required in the absence of the Approved Compliance Option) and the number of Off-Site AH Units that would be required under the City AH Regulations will be achieved or exceeded by Developer providing within the Project 160 units subject to the RSO pursuant to a deed restriction recorded against the Property (pursuant to the provisions of the RSO in effect as of the Effective Date) ("RSO Units").

(b) Affordability levels for the Off-Site AH Units shall be at or lower than the following income levels (based on the standard requirements for On-Site AH Units): (i) 25% of such units available to and rented at rents affordable to 35% AMI households; (ii) 50% of such units available to and rented at rents affordable to Very Low Income Households (up to 50% AMI); and (iii) 25% of such units available to and rented at rents affordable to Low Income Households (up to 60% AMI).

(c) Developer shall donate the Off-Site AH Parcel to the AH Developer no later than the issuance by City to the AH Developer of building permits for construction of the Off-Site AH Units on the Off-Site AH Parcel. Concurrently with such donation, and following review by Developer, the AH Developer shall execute a regulatory agreement with the City pursuant to the City AH Regulations, to be recorded against the Off-Site AH Parcel. If a regulatory agreement with the City has been recorded against any properties containing Safety Net Units pursuant to Section 4.5.3(g), such regulatory agreement shall be released, in whole or in part, from Safety Net Location title (one for one per AH Unit). Developer also shall provide "gap" financing to the AH Developer ("AH Gap Financing"), with a total value per Off-Site AH Unit (for which building permits have been obtained) equal to the value of the amount of the inclusionary housing in-lieu fee in effect at the time the AH Gap Financing is made to the AH Developer, based on the calculation set forth in the Inclusionary Housing Guidelines in effect as of the Effective Date of this Agreement (the "Guidelines Calculation"), less the amount of the credit set forth in Section 4.5.2(e) below. Developer shall provide the AH Gap Financing prior to or simultaneously with obtaining the first residential building permit. Notwithstanding any provision herein to the contrary, in no event shall Developer be obligated hereunder to construct any Off-Site AH Units.

(d) The Parties anticipate that, based on the anticipated estimated size of an Off-Site AH Parcel, the AH Developer would construct approximately between 70-89 Off-Site AH Units thereon. If the AH Developer's planning application for the Off-Site AH Units is for fewer than 20% of the Net New Units (the "Minimum Off-Site AH Units"), then Developer shall be required to pay to the City upon issuance of building permits for dwelling units in the Project, with respect to each Minimum Off-Site AH Unit not then constructed, an in-lieu fee in the amount of the inclusionary housing in-lieu fee amount in effect at the time of issuance of the first building permit for the Project, based on the Guidelines Calculation (the "AH In-Lieu Fee"). If the AH Developer has not submitted planning applications for the Off-Site AH Units before issuance of the first building permit for the Project because of the occurrence of one or more of the types of events described within the definition of Permitted Delay in Section 1.1.25 (together, "AH Force Majeure"), Developer shall pay the AH In-Lieu Fee at the time such planning applications are submitted but in no event later than the issuance of the first Certificate of Occupancy for the Project. For avoidance of doubt, the AH In-Lieu Fee is intended to cover the difference between the number of Off-Site AH Units actually constructed on the Off-Site AH Parcel and the number of AH Units that would otherwise be required under the City AH Regulations to meet the requirement for 20% On-Site AH Units. The total amount of AH In-Lieu Fees payable under this Section 4.5.2(d) shall be adjusted to reflect any variance in the number of AH Units actually constructed on the Off-Site AH Parcel at the time that building permits are issued for the Off-Site AH Units and also to reflect any Safety Net Units (defined in Section 4.5.3) that remain occupied by households ineligible to occupy an Off-Site AH Unit. Any adjustment to the AH In-Lieu Fees will be further adjusted once a Safety Net Unit tenant ineligible for an Off-Site AH Unit vacates the Safety Net Unit or their income exceeds that specified in Section 4.5.3(i).

(e) Developer shall receive, for the transfer of the Off-Site AH Parcel pursuant to Section 4.5.2(c) above, a credit against the amount of any AH Gap Financing required to be provided by Developer pursuant to Section 4.5.2(c), equal to the Fair Market Value (as defined and determined below) of the Off-Site AH Parcel as of the date of such transfer. City and Developer shall meet and confer commencing not later than fifteen (15) days prior to the then anticipated date of transfer of the Off-Site AH Parcel, or by such other date as may be mutually agreed upon by the Parties and expiring upon such subsequent date that either Party notifies the other of the termination of such meet and confer process (the "FMV Negotiation Period"), in a good faith effort to reach agreement upon the fair market value of the Off-Site AH Parcel, based upon its highest and best use (the "Fair Market Value"). If City and Developer are unable to agree upon Fair Market Value within the FMV Negotiation Period, City and Developer agree that the Fair Market Value shall be determined by a board of two appraisers (each an "Appraiser"), one of whom shall be named by the City and one of whom shall be named by Developer, both of whom shall appraise the Off-Site AH Parcel based on appraisal instructions mutually agreed upon by the Parties. Developer shall pay the costs of the Appraisers. Each of the Appraisers shall be licensed in the State of California as a real estate appraiser, be a member of the Appraisal Institute, and have at least ten (10) years' experience appraising properties similar to and in the vicinity of the Off-Site AH Parcel. City and Developer agree to make their appointments within fifteen (15) days after the expiration of the FMV Negotiation Period, or by such other date as may be mutually agreed upon by the Parties. Within forty-five (45) days after the expiration of the FMV Negotiation Period, City's Appraiser and Developer's Appraiser shall submit to one another his or her determination of the Fair Market Value. If the determinations by the two Appraisers differ by less than ten percent (10%) of the highest appraisal, then the FMV shall be deemed to be the average of the two determinations. If the preceding sentence does not apply, then City's Appraiser and Developer's Appraiser shall select a third Appraiser (with the same qualifications as set forth above) within fifteen (15) days after the City's Appraiser and Developer's Appraiser submit their determinations to one another. Within ten (10) days after the Third Appraiser is selected, City's Appraiser and Developer's Appraiser shall submit their determinations to the Third Appraiser in order for the Third Appraiser to select either Developer's or City's Appraisers' determination as closest to the Fair Market Value. The third Appraiser shall make such selection within fifteen (15) days after receipt of the City's Appraiser's and Developer's Appraiser's determinations, and such selection by the third Appraiser shall be deemed the Fair Market Value and shall be binding upon the Parties. The Developer shall pay the full cost of the third Appraiser.

(f) The planning application for the Off-Site AH Units shall be submitted to the City prior to issuance of building permits for the Project. Further, building permits for the Off-Site AH Units shall be pulled at or before the City's issuance of the first Certificate of Occupancy, either temporary or permanent, for dwelling units in the Project.

(g) To the extent permitted by law and by the requirements of any financing source(s) for development of the Off-Site AH Units, AH Developer shall give a preference in the rental of Off-Site AH Units to households who as a result of the Project were required to or elected to move and are beneficiaries of the Relocation Plan approved by the City as part of the Existing City Approvals, provided such households meet all eligibility requirements for tenancy in an Off-Site AH Unit. Determination of whether this preference is permitted by law or financing source shall be at the sole and reasonable discretion of the legal counsel for the AH Developer and substantiated in a letter by same counsel.

4.5.3 Safety Net Units.

(a) If, by reason of any AH Force Majeure, building permits for all of the Off-Site AH Units at the Off-Site AH Parcel have not been obtained by the AH Developer by the time Developer seeks issuance of the first Certificate of Occupancy for dwelling units in the Project, Developer shall make the same number of AH Units (for which such building permits have not been pulled) available as On-Site AH Units on any land in the City owned by Developer or a Developer Affiliate (each, a "Safety Net Location"), available to lower income households consistent with the City's 2019 Inclusionary Housing Ordinance (Ord. No. 425) (*i.e.*, 25% of units available to 35% AMI households (or lower); 50% of units available to Very Low Income Households (or lower); 25% of the units available to Low Income Households (or lower), as those terms are defined above) until Off-Site AH Units are available for occupancy ("Safety Net Units").

(b) Developer shall not displace any then-current tenant at any Safety Net Location in order to accommodate the required number of AH Units available to lower income households.

(c) All AH Units shall be in decent, safe and sanitary condition, meeting HUD's Housing Quality Standards and shall not have any code or habitability violations.

(d) Safety Net Units may be dispersed throughout one or more Safety Net Locations, including the Property, and also may be clustered within certain buildings at a Safety Net Location at Developer's option.

(e) The City and Developer shall enter into a binding affordability restriction, which will be recorded against title for the Property, which shall be released from title once a Certificate of Occupancy is issued for the Off-Site AH Units and the occupants of the Safety Net Units are relocated to the Off-Site AH Units. Developer shall be required to report to the City annually the rent and household income of the occupants of the Safety Net Units as well as any other information reasonably requested by the City and will be required to provide notice of such units, including the income and reporting requirements to any potential buyer of a building containing such Safety Net Units and provide notice to the City if a building containing such Safety Net Units is sold.

(f) The Safety Net Units shall have the same number of bedrooms as applied for the Off-Site AH Units and besides bedroom counts and size will be comparable to other rental dwelling units in the same building per Municipal Code 18.38.070(D), unless otherwise agreed to in writing by the City.

(g) If building permits for the Off-Site AH Units have not been obtained by the end of the Term of this Agreement due to AH Force Majeure, then the temporary affordability restrictions for the Safety Net Units shall thereupon become permanent, a regulatory agreement restricting the SafetyNet Units in perpetuity shall be recorded against the Safety Net Units (which agreement shall include the ability of Developer to relocate, from time to time and with City approval, the Safety Net Units to one or more other Safety Net Locations and thereupon the regulatory agreement shall be released from title to the prior location concurrently with a regulatory agreement being recorded against title to the new location), the Developer shall pay, if

not already paid, the AH In Lieu Fees, and the inclusionary and other affordable housing requirements under the City AH Guidelines with respect to the Project shall thereupon be deemed fully satisfied.

(h) Households occupying the Safety Net Units shall be required to meet the occupancy requirements for the Off-Site AH Units with the goal that all such households will be relocated to the Off-Site AH Units once Certificates of Occupancy are issued for such Off-Site AH Units.

(i) If for any reason a household occupying a Safety Net Unit is ineligible to occupy one of the Off-Site AH Units, or if insufficient Off-Site AH Units are available for all tenants in the Safety Net Units, Developer shall be obligated to maintain the Safety Net Unit as an affordable unit as long as such household continues to occupy such unit and continues to be eligible for an affordable unit at or below 60% of area median income. A household shall be deemed to continue to be eligible to occupy a Safety Net Unit until such household's income exceeds 140% of 60% of the area median income, at which time the rent for such unit may be raised to the extent allowed by law.

4.6 City Obligations.

4.6.1 In addition to any other obligations of City set forth herein, and in consideration of Developer entering into this Agreement, City acknowledges and agrees that the primary purpose of this Agreement is to effectuate the terms of the City Approvals so that the Project is developed.

4.6.2 To the extent that a Subsequent City Approval requires an action to be taken by the City, the City shall timely and promptly process such Subsequent City Approval in accordance with Section 3.9. If requested by Developer, the Parties agree to have their respective staff persons hold regular periodic meetings to discuss the processing of Subsequent City Approvals. If requested by Developer, the City shall consider retaining outside consultants to assist the City in processing Developer's development applications, at Developer's sole cost.

ARTICLE V COMMUNITY BENEFITS

5.1 Provision by Developer. Developer shall provide the following benefits to the City, which are essential consideration to the City, without which the City would not have entered into this Agreement:

5.1.1 New Public Park Space. An area at the corner of O'Connor Street and Euclid Ave shall be developed with a children's play area, a gathering area, and a fitness area reserved for the benefit of the City and the East Palo Alto community and residents (the "Park Space"), as shown on Sheet L-1.0 of the Approved Plans and otherwise consistent with the Parks, Recreation, and Open Space Master Plan. This Park Space shall be in addition to the minimum required private, common, and public open space. It will be adjacent or in close proximity to neighborhood-serving retail, community space, and common resident amenity spaces. Pursuant to Section 4.3.3, the cost of constructing the Park Space will be credited against the Project's required

parks and trails fees. The Developer's grant of a public access easement (or license) over the Park Space as well as the Developer's obligation to maintain the Park Space will be considered a community benefit. The Developer shall conduct community outreach to finalize the design and programming for the Park Space. The final Park Space design shall be included in the on-site grading and improvement plans submitted to the City prior to building permit issuance for the Project.

Developer will grant a public access easement (or license) over the Park Space to the City to ensure public use and enjoyment of the Park Space as well as to memorialize Developer requirements for upkeep and maintenance. The easement (or license) shall be finalized prior to grading permit issuance for the Project and shall be granted and recorded with the Final Map and prior to issuance of the first grading permit for the Project:

- a) The Park Space shall be approximately 9,300 square feet and shall be built out in accordance with the final approved building permit at the Developer's sole cost.
- b) The Park Space shall be available for use by the public in perpetuity including the East Palo Alto community and residents between 8:00 a.m. and sunset free of charge for activities that conform to the purposes specified in the approved Park Space design. Use of the Park Space will be operated and managed by the Developer.
- c) Should the City receive complaints or observe that the Park Space is not sufficiently available for community use, Developer and City shall meet to resolve the issues within seven (7) days of the City providing written notice to the Developer.
- d) The Developer shall be responsible for all maintenance, repair and replacements necessary to maintain the Park Space to a high quality. The Park Space easement (or license) will include requirements for repair and maintenance of the Park Space.
- e) Use of the Park Space shall at all times be consistent with the purposes specified in approved design of the Park Space and be conducted in compliance with all City Regulations and all State and Federal laws and regulations applicable to the Park Space and the following rules: use shall be in such a manner as not to interfere with or obstruct (i) any portion of the Property, and (ii) any business operations or other activities being conducted by the Developer or its permittees on the Property; no person shall enter, remain, stay, or camp in the Park Space when it is closed to the public; Developer may temporarily close the Park Space in the event of a risk to the public health or safety created by causes including but not limited to flood, storm, fire, earthquake or other natural disaster, explosion, accident, criminal activity, riot, civil disturbances, civil unrest, or unlawful assembly; Developer may temporarily close that portion of the Park Space as is necessary to undertake repair and maintenance activities of the Park Space in order to make any such necessary repairs and maintenance after providing notice to the City. If the City desires to have security cameras posted at the Park Space, the Developer shall fund and install security camera's according to the City's direction.

- f) The Park Space shall be completed prior to the issuance of the first Certificate of Occupancy for the dwelling units in the Project.

5.1.2 Community Function Space. A portion of an area on the ground floor of Building B on O'Connor Street between Euclid Ave and Manhattan Ave as shown on Sheet A201 of the Approved Plans shall be space reserved for the benefit of the City and the East Palo Alto community and residents (the "Community Function Space").

(a) The Community Function Space shall be approximately 2,500 square feet. The Developer shall pay for and construct the Community Function Space as a multi-use space appropriate for City and community groups to use for meetings, events, educational purposes, cultural celebrations, and similar gatherings. The Community Function Space shall be built out to include: finished flooring, drop down or open concept ceilings, furniture, fixtures and equipment, and other decorations appropriate for the purpose of the space.

(b) The Community Function Space may also host art installations of a temporary or permanent nature, provided they do not interfere with the community meeting hosting orientation of the space.

(c) The Community Function Space shall be available for use by the community and City between the hours of 8:00 a.m. and 10:00 p.m. free of charge for events that conform to the purposes specified in Section (a). Use of the space will be operated and managed by the Developer in consultation with the City.

(d) Reservation for the Community Function Space will be through an online reservation system on Developer's website, and also via a link to Developer's online reservation system on the City's website, via USPS mail, email, or in person requests at the property management office. Reservation priority will be given to the community and City up to ten (10) days before the requested time reservation. Inside of the ten (10) day period, and subject to the reasonable discretion of Developer, community groups, City, residents, and other groups may have access to the Community Function Space on a first come first served basis. In the event the City or a community group makes a request for a time when the Community Function Space is not available, Developer shall give the City or community group priority access to the nearest convenient available time slot. Should the City receive complaints or observe that the Community Function Space is not sufficiently available for community use, Developer and City shall meet to resolve the issues within seven (7) days of the City providing notice to the Developer.

(e) The Developer shall provide, operate, and pay for the reservation system, and all utility, janitorial, and routine maintenance and repair services to the Community Function Space.

(f) No fewer than ninety (90) days before the Developer requests final inspection of the Project, Developer shall demonstrate the functionality of the Community Function Space reservation system for City's approval, which shall not be unreasonably withheld.

5.1.3 Bus Shelter / Transit Infrastructure. Developer shall build a high-quality bus shelter, including wind and rain screening and transit schedule information, on O'Connor Street

near Euclid Ave. It is intended to be served by SamTrans routes 81, 280, and 281 and Ravenswood City School District school buses.

5.1.4 New Water Infrastructure. Developer will provide a 1.5 million gallon water tank and pump system (and the land it is on), in coordination with City of East Palo Alto Public Works and Menlo Fire District, to improve the overall water conveyance, supply, and pressure in the neighborhood. In accordance with Section 4.3.3, a portion of this new infrastructure will be credited against the water capacity fees and public facilities fees otherwise payable by Developer for the Project. The cost incurred by the Developer in excess of the required water capacity fees and public facilities fees are considered a community benefit, provided, the cost of the water tank and pump station as well as related land exceeds the required water capacity and public facilities fees by at least \$2,000,000. If the costs incurred by the Developer for the water tank, pump station and related land is less than the sum of the required water capacity fees, the public facilities fees and \$2,000,000, Developer shall pay that difference to the City as a community benefit payment. If for any reason Developer is not required to construct the water tank and pump station, Developer shall be required to pay the required water capacity fees and public facilities fees for the Project and make a community benefit payment to the City of \$2,000,000, to be paid at time of issuance of the first building permit.

5.1.5 Storm Drainage Improvements. Developer will build storm drainage infrastructure improvements in the Project-adjacent street segments of Euclid Ave., O'Connor Street, Manhattan Ave, and/or West Bayshore Ave consistent with the existing City of East Palo Alto Storm Drain Master Plan to reduce storm water impacts and discharge rates, up to a maximum cost of \$500,000, as such amount is increased each year by the increase in the Engineering News Record Construction Cost Index ("ENR"). Pursuant to Section 4.3.3, a portion of the cost of constructing the storm drainage improvements will be credited against storm drainage fees, and the remainder will be a community benefit.

5.1.6 Dedication of Roadway. Developer will dedicate approximately 20,350 square feet (roughly ½ acre) of land to the City of East Palo Alto, along the entire frontage of O'Connor Street between Manhattan Ave and Euclid Ave, and a portion of the frontage of Euclid Ave between O'Connor Street and West Bayshore Road. This includes existing roadway, sidewalk, and building-related open space. This will be contributed at no cost to the City. The Developer still intends to improve much of this area as part of the Euclid Improvements, consistent with or above the standards in Municipal Code section 15.04.040. Any such improvements to the new frontage dedicated by the Developer shall be made by the Developer to ADA standards.

ARTICLE VI AMENDMENT OF AGREEMENT AND APPROVALS

6.1 Amendment or Termination by Mutual Consent.

Subject to the provisions of this Article VI, City and Developer by mutual written agreement may terminate or amend, in whole or in part, the terms of this Agreement.

6.2 Minor Modifications and Major Amendments to Agreement.

6.2.1 Minor Modification. The Parties acknowledge that refinement and further implementation of the Project may demonstrate that certain clarifications, minor changes, or minor adjustments may be appropriate with respect to the details and performance of the Parties under this Agreement. The Parties desire to retain a certain degree of flexibility with respect to the details of the Project and with respect to those items covered in the general terms of this Agreement. If and when the Parties find that clarifications, minor changes, or minor adjustments are necessary or appropriate and do not constitute a Major Amendment under Section 6.2.2, they shall effectuate such clarifications, minor changes or minor adjustments as Minor Modifications through a written memorandum of Minor Modification ("Minor Modification Memorandum") approved in writing by the Developer and Director following Directors' consultation with the City Manager and submittal to the Planning Commission on the consent calendar, in conformance with Municipal Code section 18.108.040.A.3. For avoidance of doubt, any Minor Modification Memorandum shall not require any public hearing or any action by the Planning Commission or the City Council as a prerequisite to its execution or effectiveness. As used herein, "Minor Modification" shall mean any clarification, change, or adjustment to this Agreement which, in the context of the overall Project contemplated by this Agreement, does not substantially affect (i) the Term of this Agreement; (ii) permitted uses of the Property; (iii) provisions for the reservation or dedication of land; (iv) Conditions for Subsequent City Approvals; (v) the density or intensity of use of the Property or the maximum height or size of proposed buildings; or (vi) the nature, timing of delivery, or scope of Public Improvements required by the City Approvals.

6.2.2 Major Amendment. Any proposed amendment to this Agreement that does not constitute a Minor Modification under Section 6.2, shall be accomplished in the manner provided under Municipal Code Section 18.108.060.B and subject to approval by the City Council.

6.3 Requirement for a Writing.

No amendment, minor amendment, or cancellation of this Agreement or any provision hereof shall be effective for any purpose unless adopted in the manner set forth in Section 6.2.1 or Section 6.2.2, as applicable, and specifically set forth in a writing, which refers expressly to this Agreement and is signed by duly authorized representatives of the Parties. The City Clerk shall record an appropriate notice of any amendment or cancellation with the County Recorder not later than ten (10) days after the effective date of the action effecting such amendment or cancellation, accompanied by a legal description of the Property.

6.4 Amendments to Development Agreement Legislation.

This Agreement has been entered into in reliance upon the provisions of the Development Agreement Statute, as those provisions existed at the date of execution of this Agreement. No amendment or addition to those provisions which would materially affect the interpretation or enforceability of this Agreement shall be applicable to this Agreement unless such amendment or addition is specifically required by the California State Legislature, or is mandated by a court of competent jurisdiction. If such amendment or change is permissive (as opposed to mandatory), this Agreement shall not be affected unless the parties mutually agree in writing, after following the procedures in Section 5.1, to amend this Agreement to permit such applicability.

6.5 Modification of City Approvals.

6.5.1 Generally. City Approvals (except for this Agreement, the amendment process for which is set forth in Section 6.2) may be amended or modified from time to time by means of a Subsequent City Approval, but only at the written request of Developer or with the written consent of Developer at its sole discretion. All amendments to the City Approvals shall automatically become part of the City Approvals. The permitted uses of the Property or portion thereof, the maximum density and/or number of residential units, the intensity of use, the maximum height and size of the proposed buildings, provisions for reservation or dedication of land for public purposes, the conditions, terms, restrictions and requirements for subsequent discretionary actions, the provisions for public improvements and financing of public improvements, and the other terms and conditions of development as set forth in all such amendments shall be automatically vested pursuant to this Agreement, without requiring any amendment to this Agreement. City shall not request, process or consent to any amendment to the City Approvals that would affect the Property or the Project, or applicable portion thereof, without Developer's prior written consent.

6.5.2 Minor Changes in Site Plan and Design Review. Notwithstanding the provisions of Section 6.5.1, upon the request of Developer, the Director may administratively approve minor modifications to any Site Plan and Design Review for the Project in accordance with Section 18.86.080 of the Municipal Code, and any such approval shall not require any amendment to this Agreement. Major modifications, as determined by the Planning Manager, shall require review and approval from the Planning Commission at a public hearing, and any such approval shall not require any amendment to this Agreement to the extent such approval does not change the Project as defined in this Agreement or require modification of this Agreement.

6.6 Effect of Termination on Developer's Obligations.

6.6.1 Notwithstanding any other provision to the contrary, termination or cancellation of this Agreement or termination of the rights of Developer as to the entire Property, or any part of the Property, shall not affect any of Developer's rights under or requirement to comply with the Development Approvals, the terms and conditions of any other Subsequent Approval, nor any payments then due and owing to City, nor shall it affect the covenants of Developer specified in Section 6.6.2 below, to continue after the termination or cancellation of this Agreement. Developer understands and agrees that the Development Approvals may be substantially modified in light of the circumstances resulting from the termination or cancellation of this Agreement or Developer's rights under this Agreement, and Developer shall have no rights to challenge such a modification by reason of this Agreement other than the rights, if any, Developer would have in the absence of this Agreement.

6.6.2 Notwithstanding anything in this Agreement to the contrary, the following provisions of this Agreement shall survive and remain in effect following termination or cancellation of this Agreement for so long as necessary to give them full force and effect with respect to claims or rights of City arising prior to termination or cancellation:

(a) From and following development of the Project, Section 5.1.2 (Community Function Space);

- cancellation);
- (b) Section 6.6 (Developer's obligations upon termination or cancellation);
 - (c) Section 8.2 (Remedies; limitation on damages); and
 - (d) Section 12.2 (Indemnification).

ARTICLE VII ANNUAL REVIEW

7.1 Time of Review.

City and Developer shall review all actions taken pursuant to the terms of this Agreement once annually, within sixty (60) days prior to each anniversary of the Effective Date, during each year of the Term unless the City and Developer agree in writing to conduct the review at another time. Review of compliance with the terms of this Agreement shall be conducted by the Director. Pursuant to East Palo Alto Municipal Code Section 18.108.070, Developer shall initiate the review by filing an application with the City and provide all the documents and information necessary for the City to complete the annual review and make a determination of whether Developer is in compliance.

7.2 Compliance Letter.

Before each anniversary of the Effective Date, Developer shall submit a letter ("Compliance Letter"), along with all necessary supporting documentation, to the Director describing Developer's compliance with the terms of the Development Approvals and this Agreement during the preceding year. The Compliance Letter shall include a statement that the Compliance Letter is submitted to the City pursuant to the requirements of Government Code Section 65865.1 and of the City's regulations on Development Agreements.

7.3 Determination of Good Faith Compliance.

Within thirty (30) days after receipt of the Compliance Letter, the Director shall determine whether, for the year under review, Developer has demonstrated good faith substantial compliance with the terms of this Agreement. If the Director finds and determines that Developer has complied substantially with the terms of this Agreement, or does not determine otherwise within thirty (30) days after delivery of the Compliance Letter, the annual review shall be deemed concluded and this Agreement shall remain in full force and effect. Upon its determination of compliance, the Developer may request a recordable certificate confirming Developer's compliance through the year under review. Developer may record the certificate with the San Mateo County Recorder's Office.

If the Director initially determines the Compliance Letter to be inadequate in any respect, the Director shall provide notice to that effect to Developer and schedule a public hearing. If after a duly noticed public hearing, the City Council finds and determines, on the basis of substantial evidence, that Developer has not complied substantially in good faith with the terms of this Agreement for the year under review, the City Council shall give written notice thereof to

Developer specifying the noncompliance. If Developer fails to cure the noncompliance within a reasonable period of time as established by the City Council, but in no event less than 60 days from the date of receipt of such notice, the City Council, in its discretion, may (a) grant additional time for Developer's compliance, or, following the hearing, modify this Agreement to the extent necessary to remedy or mitigate the noncompliance, (b) may modify this Agreement pursuant to the provisions of Section 8 below, or (c) terminate the Agreement pursuant to Article VI below.

7.4 No Waiver.

Failure of City to conduct an annual review shall not constitute a waiver by City of its rights to otherwise enforce the provisions of this Agreement nor shall Developer have or assert any defense to such enforcement by reason of any failure to conduct an annual review. City does not waive any claim of defect or breach by Developer if, following periodic review pursuant to this Article VII, City does not propose to modify or terminate this Agreement.

ARTICLE VIII DEFAULT, REMEDIES, AND TERMINATION

8.1 Notice of Breach.

Failure by either party to perform any material term or provision of this Agreement shall constitute a default hereunder, provided that the party alleging the default shall have given the other party advance written notice thereof and sixty (60) days within which to cure the condition, or, if the nature thereof is such that it cannot be cured within that time, the party receiving notice shall not be in default hereunder if the party promptly commences to perform its obligations hereunder and thereafter diligently completes performance. Written notice hereunder shall specify in detail the nature of the obligation to be performed by the party receiving notice.

8.2 Remedies for Breach.

It is acknowledged by the parties that City and Developer would not have entered into this Agreement if it were to be liable in damages under, or with respect to, this Agreement or the application thereof. The City and Developer shall not be liable in damages to the other party (except for Developer's indemnity obligation to City under Section 12.2), or to any assignee, transferee or any other person, and Developer covenants not to sue for or claim damages, while reserving the right to initiate legal proceedings to specifically enforce this Agreement. Upon Developer's material default pursuant to Article VIII hereof, City shall be entitled to initiate legal proceedings to specifically enforce this Agreement or the City may terminate this Agreement.

8.3 Termination by Mutual Consent.

This Agreement may be voluntarily terminated in whole or in part by the mutual consent of the parties or their successors in interest, in the sole and absolute discretion of each as to its consent.

ARTICLE IX ESTOPPEL CERTIFICATE

Either party may, at any time, and from time to time, deliver written notice to the other party requesting such party to certify in writing that, to the knowledge of the certifying party, (a) this Agreement is in full force and effect and is a binding obligation of the parties, (b) this Agreement has not been amended or modified or, if so amended or modified, identifying the amendments or modifications, and (iii) the requesting party is not in default in the performance of its obligations under this Agreement, or if in default, to describe the nature of any defaults. The party receiving a request under this Article IX shall execute and return the certificate within fifteen (15) days following receipt of the request. The Director shall be authorized to execute any certificate requested by Developer. Developer and City acknowledge that a certificate hereunder may be relied upon by transferees and Mortgagees. Developer shall pay the City's reasonable costs involved in providing such estoppel certificate.

ARTICLE X TRANSFERS, ASSIGNMENTS

10.1 Agreement Runs With the Land.

10.1.1 This Agreement and all of its provisions, agreements, rights, powers, standards, terms, covenants and obligations, shall be binding upon the parties and their respective heirs, successors (by merger, consolidation, or otherwise) and assigns, devisees, administrators, representatives, lessees, and all other persons or entities acquiring the Property or any portion thereof, or any interest therein, whether by sale, operation of law, or in any manner whatsoever, and shall inure to the benefit of the parties and their respective heirs, successors (by merger, consolidation or otherwise) and assigns.

10.1.2 All of the provisions of this Agreement shall be enforceable during the Term as equitable servitudes and constitute covenants running with the land pursuant to applicable law, including, but not limited to Section 1468 of the Civil Code of the State of California. Each covenant to do or refrain from doing some act on the Property hereunder, (a) is for the benefit of the Property and is a burden upon the Property, (b) runs with the Property, and (c) is binding upon Developer and each successive owner during its ownership of the Property or any portion thereof, and each person or entity having any interest in the Property. Every person who now or hereafter owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every provision contained herein, whether or not any reference to this Agreement is contained in the instrument by which such person acquired an interest in the Property.

10.2 Right to Assign.

10.2.1 Developer shall have the right to assign its rights to develop the Property (by sale, transfer, or otherwise) to any person, business entity, or other similar entity ("Assignee"). Any such transfer shall be deemed to include an assignment of all rights, duties, and obligations created by this Agreement with respect to all or any portion of the Property.

10.3 Release Upon Assignment.

10.3.1 Upon the express written assumption by the Assignee of Developer's rights and interests under this Agreement (the "Assignment Agreement"), Developer shall be free from any and all liabilities accruing on or after the date of assignment with respect to those obligations assumed by the Assignee pursuant to the Assignment Agreement, except to the extent that Developer is in default with respect to any and all obligations at the time of the proposed transfer.

ARTICLE XI MORTGAGEE PROTECTION

11.1 Mortgage Protection.

This Agreement shall be superior and senior to any lien placed upon the Property or any portion of the Property after the date of recording of this Agreement, including the lien of any deed of trust or mortgage ("Mortgage"). Notwithstanding the foregoing, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value, but all of the terms and conditions contained in this Agreement (including but not limited to City's remedies to terminate the rights of Developer (and its successors and assigns) under this Agreement, to terminate this Agreement, and to seek other relief as provided in this Agreement) shall be binding upon and effective against any person or entity, including any deed of trust beneficiary or mortgagee ("Mortgagee") who acquires title to the Property, or any portion thereof, by foreclosure, trustee's sale, deed in lieu of foreclosure, or otherwise.

11.2 Mortgagee Not Obligated.

Notwithstanding the provisions of Section 10.1 above, no Mortgagee shall have any obligation or duty under this Agreement to construct or complete the construction of improvements on the Property, or to guarantee such construction or completion; provided, however, that a Mortgagee shall not be entitled to devote the Property to any uses or to construct any improvements on the Property other than those uses or improvements provided for or authorized by this Agreement, or otherwise under Applicable Law. City, upon receipt of a written request from a Mortgagee, shall permit the Mortgagee to succeed to the rights and obligations of Developer under this Agreement, provided that all defaults by Developer hereunder that are reasonably susceptible of being cured are cured by the Mortgagee as soon as is reasonably possible after the Mortgagee takes possession of the Property.

11.3 Notice of Default to Mortgagee.

If City receives a written notice from a Mortgagee, Developer, or any approved Assignee requesting a copy of any notice of default given Developer or any approved Assignee and specifying the address for service, then City shall deliver to the Mortgagee at Mortgagee's cost (or Developer's cost), concurrently with service to Developer, any notice given to Developer with respect to any claim by City the Developer is in default under this Agreement, and if City makes a determination of default, City shall if so requested by the Mortgagee likewise serve at Mortgagee's cost (or Developer's cost) notice of noncompliance on the Mortgagee concurrently with service on Developer. Each Mortgagee shall have the right during the same period available

to Developer to cure or remedy, or to commence to cure or remedy, the event of default claimed or the areas of noncompliance set forth in City's notice.

11.4 No Supersession.

Nothing in this Article X shall be deemed to supersede or release a Mortgagee or modify a Mortgagee's obligations under any subdivision improvement agreement or other obligation incurred with respect to the Property outside this Agreement, nor shall any provision of this Article X constitute an obligation of City to the Mortgagee, except as to the notice requirements of Section 10.3.

ARTICLE XII INDEMNIFICATION

12.1 No Duty of City; Hold Harmless.

It is specifically understood and agreed by the parties that the development contemplated by this Agreement is a private development, that City has no interest in or responsibility for or duty to third persons concerning any of said improvements, and that Developer shall have full power over and exclusive control of the Property subject only to the limitations and obligations of Developer under this Agreement.

12.2 Indemnification.

Developer hereby agrees to and shall indemnify, defend (with counsel approved by the City), and hold harmless City and its elected and appointed representatives, officers, agents, and employees from any loss, liability, fines, penalties, forfeitures, costs, and damages (whether in contract, tort, or strict liability, including but not limited to personal injury, death at any time, and property damage) and from any and all claims, demands, and actions in law or equity (including attorneys' fees and litigation expenses) directly or indirectly arising or alleged to have arisen out of or in any way related to: (a) the approval of this Agreement or the City Approvals; (b) any development or use of the Property under this Agreement or the Project Approvals; and (c) any actions or inactions by the Developer or its contractors, subcontractors, agents, or employees in connection with the construction or improvement of the Property and the Project; excepting to the extent arising from the intentional acts or willful misconduct or gross negligence of City, its elected and appointed representatives, officers, agents, employees, contractors or subcontractors.

This indemnification and hold harmless agreement applies to all damages and claims for damages suffered or alleged to have been suffered by reason of the operations referred to in this Section 12.2, regardless of whether or not City prepared, supplied, or approved plans or specifications for the Property, but does not apply to damages and claims for damages caused by City with respect to public improvements and facilities after City has accepted responsibility for them.

**ARTICLE XIII
NOTICES**

13.1 Notices.

Any notice, demand, correspondence, or communication required hereunder between the City and Developer ("Notice") must be in writing and shall be sufficiently given if: (a) personally delivered; or (b) dispatched by next day delivery by a reputable carrier such as Federal Express or DHL to the offices of City and Developer indicated below, provided that a receipt for delivery is provided; or (c) if dispatched by certified mail, postage prepaid, to the offices of City and Developer indicated below. Such Notice may be sent in the same manner to such persons and addresses as either party may from time-to-time designate by Notice as provided in this Section. A copy of the Notice should be sent via e-mail as well to the email addresses provided in this Section.

CITY: City Manager
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303
email: cmoffice@cityofepa.org

With copy to: City Attorney
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303
email: cityattorney@cityofepa.org

DEVELOPER: Michael Kramer

Woodland Park Property Owner, LLC
2600 El Camino Real Suite 410
Palo Alto, CA 94306
email: mkramer@shpco.com

With copy to: Corinne Calfee
Opterra Law, inc.
P.O. Box 2369
Davis, CA 95616
ccalfee@opterrallaw.com

**ARTICLE XIV
MISCELLANEOUS**

14.1 Cooperation in the Event of Third-party Legal Challenge.

In the event of any legal action instituted by a third party or other governmental entity or official challenging the validity of any provision of this Agreement or the Project Approvals or otherwise relating to the Project ("Third Party Challenge"), the Parties shall mutually cooperate with each other relating to the Third Party Challenge.

14.2 Invalidity.

If any part of this Agreement is held by a court of competent jurisdiction to be invalid or unlawful, the parties shall use their best efforts to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express and implied intent of this Agreement, and then to adopt or re-enact such part of this Agreement as necessary or desirable to permit implementation of this Agreement.

14.3 Applicable Law and Venue.

This Agreement shall be construed and enforced in accordance with the laws of the State of California. Any action at law or in equity arising under this Agreement or brought by any Party for the purposes of enforcing, construing, or determining the validity of any provision of this Agreement shall be filed and tried in the County of San Mateo, or the United States District Court for the Northern District of California

14.4 Severability.

In addition to and without limiting the provisions of Section 14.1.1, if any provision(s) of this Agreement is (are) held invalid, then to fullest extent feasible, the remainder of this Agreement shall not be modified, reformed, or otherwise affected except as may be necessarily required or permitted by the determination of invalidity, and shall remain in full force and effect in accordance with its terms as may be so modified, reformed, or otherwise affected, unless further amended or modified by mutual consent of the Parties. For avoidance of doubt, the Parties acknowledge their mutual intent and agreement that, in the event of any such determination of invalidity, this Agreement shall be appropriately reformed to the extent necessary in order to achieve the mutual primary goals, purposes and intent of the Parties as set forth in this Agreement.

14.5 Nondiscrimination.

Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, ancestry, or national origin in the development of the Property in furtherance of this Agreement. The foregoing covenant shall run with the land.

14.6 Headings.

The language in this Agreement in all cases shall be construed as a whole and in accordance with its fair meaning. Section and subsection headings in this Agreement are for convenience only and are not intended to be used in interpreting or construing the terms, covenants, or conditions of this Agreement.

14.7 Agreement is Entire Understanding.

This Agreement is executed in one original, which constitutes the entire understanding and agreement of the parties. The parties acknowledge and agree that neither of them has made any representation with respect to the subject matter of this Agreement or any representations inducing the execution and delivery hereof, except representations set forth herein, and each party acknowledges that it has relied on its own judgment in entering this Agreement. The parties further acknowledge that, except for those contained in Applicable City Regulations, all statements or representations that heretofore may have been made by either of them to the other are void and of no effect, and that neither of them has relied thereon in its dealings with the other. To the extent that there is any conflict between the Applicable Law and this Agreement, this Agreement shall govern the parties' respective rights and obligations.

14.8 Interpretation.

Each party to this Agreement has had an opportunity to review the Agreement, confer with legal counsel regarding the meaning of the Agreement, and negotiate revisions to the Agreement. Accordingly, neither party shall rely upon Civil Code Section 1654 in order to interpret any uncertainty in the meaning of the Agreement. As used herein: (a) the singular shall include the plural (and vice versa) and the masculine or neuter gender shall include the feminine gender (and vice versa) where the context so requires; (b) locative adverbs such as "herein," "hereto," "hereof," and "hereunder" shall refer to this Agreement in its entirety and not to any specific section or paragraph; (c) the terms "include," "including," and similar terms shall be construed as though followed immediately by the phrase "but not limited to;" (d) "shall" and "must" are mandatory and "may" is permissive; and (e) "or" is not necessarily exclusive. Each reference in this Agreement to this Agreement shall be deemed to refer to this Agreement as amended from time to time pursuant to the provisions of this Agreement, as applicable, whether or not the particular reference refers to such possible amendment.

14.9 Further City Actions.

Except as may be otherwise specifically provided herein, whenever any approval, notice, direction, consent, request, waiver or other action by the City is required or permitted under this Agreement, such action may be given, made, or taken by the City Manager on behalf of the City, or by any person who shall have been designated in writing to Developer by the City Manager, without further approval or authorization required by the City Council, and any such action shall be in writing; provided, however, that the City Manager may seek such authorization when he or she deems it appropriate in his or her sole and absolute discretion. In addition to the provisions of Section 6.2 and without limiting the provisions of this Section 14.8, the City Manager may also, at his or her discretion, agree in writing to modification of the dates by which actions are to be completed or to waive non-substantive terms and conditions of this Agreement, to make non-substantive amendments to this Agreement in furtherance of the goals and objectives of this Agreement, or to make reasonable modifications to this Agreement requested by Mortgagees. The City Manager or his or her designee is authorized to execute and deliver, on behalf of the City, any ancillary documents and to take any action necessary or desirable to effectuate the provisions and intent of this Agreement.

14.10 Computation of Time; Time of the Essence.

All references in this Agreement to "days" shall mean calendar days unless expressly referred to as "business days." The time in which any act is to be done under this Agreement is computed by excluding the first day, and including the last day, unless the last day is a Saturday, Sunday or holiday, and then that day is also excluded. If the day for performance of any obligation under this Agreement is a Saturday, Sunday or holiday, then the time for performance of that obligation shall be extended to the first following day that is not a Saturday, Sunday or holiday. The term "holiday" shall mean all holidays as specified in Sections 6700 and 6701 of the California Government Code. If any act is to be done by a particular time during a day, that time shall be Pacific Time Zone time. Time is of the essence in the performance of each and every covenant and obligation to be performed by the Parties under this Agreement.

14.11 Permitted Delay.

Subject to the limitations set forth below, the Term of this Agreement and the City Approvals and the time within which either Party shall be required to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed by a Permitted Delay. An extension of time for any Permitted Delay shall commence to run from the time of the commencement of the cause of such Permitted Delay, if Notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause and the Party receiving such notice does not object to such extension in writing within fifteen (15) days after receiving notice. Upon such an objection, the Parties shall meet and confer within thirty (30) days after the date of the objection in good faith to resolve their disagreement as to the existence and length of the Permitted Delay. If no mutually acceptable solution can be reached either Party may take action as permitted pursuant to Section 8.2. Except for any Permitted Delay attributable to a Third Party Challenge or a failure of the East Palo Alto Sanitary District to issue a "will serve" letter or certification for the Project, in no event shall this Agreement be extended for a single Permitted Delay for longer than one hundred eighty (180) days or for all Permitted Delays cumulatively for eighteen (18) months. Times of performance under this Agreement may also be extended in writing by the mutual agreement of the City Manager and Developer.

14.12 Recordation of Termination.

Upon completion of performance of the parties or termination of this Agreement, a written statement acknowledging such completion or termination shall be recorded by City in the Official Records of San Mateo County, California.

14.13 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but the counterparts together shall constitute only one Agreement.

IN WITNESS HEREOF, the parties have executed this Agreement effective as of the Effective Date.

CITY OF EAST PALO ALTO,
a municipal corporation

WOODLAND PARK PROPERTY OWNER,
LLC, a Delaware limited liability company

By: _____
Mayor

By: _____

Dated: _____

Name: _____

Title: _____

Dated: _____

ATTEST:

City Clerk

Dated: _____

APPROVED AS TO FORM:

City Attorney

Dated: _____

Attachment: Ordinance Approving Development Agreement (with Development Agreement) (2406 : Woodland Park Euclid Improvements)

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

EXHIBIT A**LEGAL DESCRIPTION OF THE PROPERTY****501 O'Connor Street and 2012 Euclid Avenue**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Beginning at the intersection of the center line of O'Connor Street with the center line of Euclid Avenue running thence Easterly along the center line of O'Connor Street 187.53 feet; thence North 7° 27' East 210.49 feet; thence Westerly 175.40 feet to a point in the center line of Euclid Avenue which said point is distant Northerly 234.09 feet to the point of beginning; thence southerly along the center line of Euclid Avenue, 234.09 feet to the point of beginning. Said description includes within its boundaries Lots Numbered 1, 2 and 3 in Block 9 as shown on that certain Map entitled "Map of Woodland Place, Subdivision No. One of Ravenswood, San Mateo County, California", filed in the Office of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24.

JPN: 063-028-282-01A and 063-028-282-02A

APN: 063-282-010, 063-282-020

2001 Manhattan Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Beginning at the point of intersection of the centerline of O'Connor Street with the centerline of Manhattan Avenue; running thence North 4° 44' East 229.10 feet to the Easterly prolongation of the Southerly line of the lands described in Deed to Jeanette A. Meek, recorded on April 21, 1913 in Book 224 of Deeds at Page 227, Records of San Mateo County, California; thence Westerly along said last mentioned prolongation and Southerly line 174.85 feet to the centerline of an alley way; thence Southerly along the centerline of said alley way 235.61 feet to the centerline of O'Connor Street; thence Easterly along the centerline of O'Connor Street 184.68 to the point of beginning. Being the property described as Lots Nos. 23 and 24 and the Southerly 25 feet of Lot No. 22 in Block 9, according to that certain Map entitled "Map of Woodland Place Subdivision No. 1 of Ravenswood, San Mateo County, Cal.", filed in the Office of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24. Excepting therefrom that portion thereof conveyed to the third road district of San Mateo County, by Agnes M. West, et al, by Deed dated March 12, 1921 and recorded June 6, 1921 in Book 14, of Official Records at Page 237, Records of San Mateo County, California.

APN: 063-282-090

Attachment: Ordinance Approving Development Agreement (with Development Agreement) (2406 : Woodland Park Euclid Improvements)

EXHIBIT A

-2-

2021 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

LOT 2 AND THE SOUTHWESTERLY 5 FEET, FRONT AND REAR MEASUREMENTS OF LOT 3, BLOCK 10, MAP OF WOODLAND PLACE, SUBDIVISION NO. ONE OF RAVENSWOOD, FILED AUGUST 1, 1910, BOOK 7 OF MAPS, PAGE 24, SAN MATEO COUNTY RECORDS.

JPN: 063-028-281-02A
APN: 063-281-020

2025 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

The Northeasterly 45 feet, front and rear measurements of Lot 3 in Block 10 as shown on that certain Map entitled "Map of Woodland Place Subdivision No. 1 of Ravenswood, San Mateo County, California", filed in the Office of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24.

JPN: 063-28-281-03A
APN: 063-281-030

2031 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Lot 4 and the Southerly 1/2, front and rear measurements of Lot 5 in Block 10, as shown on that certain Map entitled "Map of Woodland Place, Subdivision No. 1 of Ravenswood, San Mateo County, California", filed in the Office of the County Recorder of San Mateo County, State of California, on August 1, 1910 in Book 7 of Maps at Page(s) 24.

JPN: 063-028-281-04A
APN: 063-281-040

2032 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Portion of Lots 4 and 5 in Block 9 and portions of Euclid Avenue and the alley adjacent thereto, all as shown on that certain Map entitled "Map of Woodland Place, Subdivision No. One of Ravenswood, San Mateo County, California of Ravenswood Investment Co. Inc.", filed in the Office of the County Recorder of San Mateo County, State of California, on August 1, 1910 in Book 7 of Maps at Page(s) 24, described as: Beginning at a point in the centerline of Euclid Avenue distant thereon North $10^{\circ} 19'$ East 234.00 feet from the intersection thereof with the centerline of O'Connor Street; running thence along said centerline of Euclid Avenue, North $10^{\circ} 19'$ East 50.03 feet; thence leaving said line South $79^{\circ} 41'$ East 172.77 feet to the centerline of alley running through said Block 9; thence along said centerline, South $7^{\circ} 27'$ West 50.18 feet and thence North $79^{\circ} 41'$ West 175.40 feet to the point of beginning. Excepting therefrom the Northwesterly 20 feet thereof for a public highway.

JPN: 063-028-282-03A

APN: 063-282-030

2033 Manhattan Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Parcel I:

Portion of Lots 20 and 21 and alley in Block 9, as delineated upon that certain Map entitled "Map of Woodland Place Subdivision No. One of Ravenswood, San Mateo County, California", filed for record in the Office of the Recorder of the County of San Mateo, State of California, on August 1st, 1910 in Book 7 of Maps, at Page 24, more particularly described as: Beginning at a point on the Westerly line of Manhattan Avenue where it is intersected by the line dividing Lots 21 and 22 in said Block 9; thence North $4^{\circ} 44'$ East along said Westerly line 28.42 feet to the Southwesterly line of lands described in Deed from Retta J. Donaghu to the State of California, recorded September 7, 1955 in Book 2871, Page 396 of Official Records; thence along said Southwesterly line of a tangent curve to the left with a radius of 60 feet and a central angle of $53^{\circ} 18' 46''$ an arc distance of 55.83 feet and North $48^{\circ} 34' 46''$ West 117.29 feet to a point in the Northerly line of lands described in Deed from Claude C. Taylor and wife to Retta Donaghu, by Deed recorded November 24, 1942 in Book 1037, Page 410 of Official Records; thence following the boundaries of said last mentioned Deed North 87° West 17.27 feet, South $7^{\circ} 27'$ West 145.68 feet and South 87° East 142.50 feet to the point of beginning.

Parcel II:

The Northerly 50 feet front and rear measurements of Lot 22 in Block 9, and the adjacent portion

of the Easterly one-half of unnamed alley way, as delineated upon that certain Map entitled "Map of Woodland Place, Subdivision No. One of Ravenswood, San Mateo County, California", filed for record in the Office of the Recorder of the County of San Mateo, State of California, on August 1st, 1910 in Book 7 of Maps, at Page 24.

JPN: 063-028-282-08A

APN: 063-282-080

2036 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Portion of Lots 5 and 6 in Block 9 and portion of Euclid Avenue and the alley adjacent thereto, all as shown on the Map entitled "Map of Woodland Place Subdivision No. One of Ravenswood, San Mateo County, California", filed in the Office of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24, more particularly described as follows: Beginning at a point in the centerline of Euclid Avenue, distant thereon North 10° 19' East 284.12 feet from the point of intersection thereof with the centerline of O'Connor Street; running thence along said centerline of Euclid Avenue, North 10° 19' East 50.03 feet; thence leaving said line South 79° 41' East 170.13 feet to a point in the centerline of the alley running through said Block; thence along said centerline, South 7° 27' West 50.18 feet and thence North 79° 41' West 172.77 feet to the point of beginning. Excepting therefrom the Northwesterly 20 feet thereof. Also excepting therefrom that parcel of land conveyed to Isabel Lang and husband, by Deed from Elmer D. Cole and wife, dated December 22, 1948 and recorded December 2, 1949 in Book 1753, of Official Records at Page 716, Records of San Mateo County, California.

JPN: 063-028-282-04A

APN: 063-282-040

2040-2042 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PORTION OF LOTS 5 AND 6 IN BLOCK 9, AS DESIGNATED ON THE MAP ENTITLED, "MAP OF WOODLAND PLACE SUBDIVISION NO. ONE OF RAVENSWOOD SAN MATEO COUNTY CALIFORNIA", WHICH MAP WAS FILED IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, ON AUGUST 1, 1910 IN BOOK 7 OF MAPS AT PAGE 24, MORE PARTICULARLY DESCRIBED AS: BEGINNING AT A POINT ON THE CENTERLINE OF EUCLID AVENUE, DISTANT THEREON NORTH 10° 19' EAST 332.15 FEET FROM THE INTERSECTION OF SAID CENTERLINE WITH THE

CENTERLINE OF O'CONNOR STREET, AS SAID AVENUE AND STREET APPEAR ON THE MAP ABOVE REFERRED TO; THENCE RUNNING NORTH 10° 19' EAST AND ALONG SAID CENTERLINE OF EUCLID AVENUE 43.10 FEET, TO THE SOUTHWESTERLY CORNER OF THE LANDS DESCRIBED IN THE DEED FROM DEWEY G. LANG AND WIFE TO ELMER D. COLE AND WIFE, DATED DECEMBER 14, 1948 AND RECORDED DECEMBER 16, 1948 IN BOOK 1604 OF OFFICIAL RECORDS OF SAN MATEO COUNTY, PAGE 3 (67437-H) THENCE SOUTH 79° 41' EAST ALONG THE SOUTHERLY LINE OF THE LAST MENTIONED LANDS 167.99 FEET TO THE WESTERLY LINE OF THE LANDS DESCRIBED IN THE DEED FROM CLAUDE C. TAYLOR AND WIFE TO ROTTA J. DONAGHU, DATED NOVEMBER 20, 1942 AND RECORDED NOVEMBER 24, 1942 IN BOOK 1037 OFFICIAL RECORDS OF SAN MATEO AT PAGE 410 (69331-E); THENCE ALONG THE LAST MENTIONED LINE SOUTH 7° 27' WEST 43.02 FEET MORE OR LESS TO A POINT WHICH BEARS SOUTH 79° 41' EAST 170.23 FEET FROM THE POINT OF BEGINNING; THENCE NORTH 79° 41' WEST 170.23 FEET TO THE POINT OF BEGINNING.

JPN: 063-028-282-05A

APN: 063-282-050

2041 Euclid Avenue, also known as 420 E. O'Keefe

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PORTION OF LOTS 5, 6 AND 7 IN BLOCK 10, AS SHOWN ON THAT CERTAIN MAP ENTITLED "MAP OF WOODLAND PLACE SUBDIVISION NO. ONE OF RAVENSWOOD, SAN MATEO COUNTY, CALIFORNIA, PROPERTY OF RAVENSWOOD INVESTMENT CO., INC.", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY, STATE OF CALIFORNIA, ON AUGUST 1, 1910 IN BOOK 7 OF MAPS AT PAGE 24, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WESTERLY BOUNDARY LINE OF SAID BLOCK 10, DISTANT THEREON NORTH 10° 19' EAST 12.87 FEET FROM THE NORTHWESTERLY CORNER OF SAID LOT 6 IN BLOCK 10, SAID POINT OF BEGINNING BEING ON THE SOUTHERLY BOUNDARY LINE OF O'KEEFE STREET, AS ESTABLISHED BY THAT CERTAIN DEED FROM LLOYD G. SLOAN AND IRENE L. SLOAN, HIS WIFE TO THE COUNTY OF SAN MATEO, DATED SEPTEMBER 15, 1961 AND RECORDED NOVEMBER 6, 1961 IN BOOK 4087 OF OFFICIAL RECORDS AT PAGE 338 (FILE NO. 11817-U), RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE FROM SAID TO THE POINT OF BEGINNING ALONG SAID SOUTHERLY LINE OF O'KEEFE STREET, SOUTH 79° 41' EAST 59 FEET; THENCE SOUTH 10° 19' WEST 87.87 FEET; THENCE NORTH 79° 41' WEST 59 FEET TO THE ABOVE MENTIONED WESTERLY LINE OF BLOCK 10; THENCE ALONG SAID LAST MENTIONED LINE, NORTH 10° 19' EAST 87.87 FEET TO THE POINT OF BEGINNING

JPN: 063-028-281-11A

APN: 063-281-110

2043 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Portion of Lots 5, 6 and 7 in Block 10, as shown on that certain Map Entitled "Map of Woodland Place Subdivision No. One of Ravenswood, San Mateo County, California, property of Ravenswood Investment Co., Inc.", filed in the Office of the County Recorder of San Mateo County, State of California, on August 1, 1910 in Book 7 of Maps at Page 24, being more particularly described as follows: Beginning at a point on the Westerly boundary line of Euclid Avenue, at the intersection thereof with the dividing line between Lots 6 and 7 in said Block 10; thence from said point of beginning along said Westerly line of Euclid Avenue, North 10° 19' East, 12.87 feet to the intersection thereof with the Southerly boundary line of O'Keefe Street, as established by that certain Deed from Laurence R. Hubbard and Leona J. Hubbard, his wife, and Kenneth R. Hubbard, to the County of San Mateo, Dated November 21, 1960 and Recorded July 10, 1961 in Book 4014 of Official Records, at Page 243 (File No. 74244-T); thence along said last mentioned line, North 79° 41' West 61 feet; thence leaving said Southerly line of O'Keefe, South 10° 19' West, 87.87 feet; thence parallel with said dividing line between Lots 6 and 7, South 79° 41' East, 61 feet to said Westerly line of Euclid Avenue, thence along said last mentioned line, North 10° 19' East 75 feet to the point of beginning.

JPN: 063-028-281-10A

APN: 063-281-100

2044 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Beginning at a point in the centerline of Euclid Avenue distant thereon North 10° 19' East 375.25 feet from its intersection with the centerline of O'Connor Street; thence from said point of beginning at right angles with Euclid Avenue, South 79° 41' East 167.99 feet, more or less, to the Westerly line of property now or formerly of Retta J. Donaghu; thence along said boundary North 7° 27' East 55.06 feet, more or less, to the Southerly boundary of property conveyed to Richard Jordan and Lillian Jordan, his wife, by Deed dated January 21, 1942 and recorded January 22, 1942 in Book 1005 of Official Records at Page 42; thence along said Southerly boundary North 79° 41' West 165.24 feet to said centerline of Euclid Avenue; thence along said centerline of Euclid Avenue South 10° 19' West 55.00 feet to the point of beginning. Being a portion of Block 9 as shown on that certain Map entitled "Map of Woodland Place Subdivision No. One of Ravenswood, San Mateo County, California, property of Ravenswood Investment Co., Inc.", filed in the Office

of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24.

JPN: 063-028-282-06A
APN: 063-282-060

2054 Euclid Avenue

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF EAST PALO ALTO, IN THE COUNTY OF SAN MATEO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

Portion of Block 9 as shown on that certain Map entitled "Map of Woodland Place, Subdivision No. One or Ravenswood, San Mateo County, California", filed in the Office of the County Recorder of San Mateo County, State of California on August 1, 1910 in Book 7 of Maps at Page 24, more particularly described as follows: Beginning at a point on the Easterly line of Euclid Avenue said point being North 10° 19' East 430.25 feet and South 79° 41' East 30 feet from the intersection of the centerline of Euclid Avenue with the centerline of O'Connor Street as said Avenue and Street are shown on the above mentioned map; thence from said point of beginning South 79° 41' East 135.24 feet, more or less, to the Westerly line of property now or formerly of Claude C. Taylor and wife; thence along said boundary North 7° 27' East 37.47 feet to the Southwesterly line of the lands described in the Deed from Nelson D. Gustin and wife to the State of California dated December 27, 1955 and recorded April 29, 1956 in Book 3009 at Page 327 of Official Records (47170-N); thence Northwesterly along said Southwesterly line 156.66 feet to the said Easterly line of Euclid Avenue; thence along said Easterly line South 10° 19' West 118 feet, more or less, more or less, to the point of beginning.

JPN: 063-02-282-07A
APN: 063-282-070

EXHIBIT B

EXISTING IMPACT FEES

Fee No.	Fee Name	Unit / Data Input Required	Notes	Fee Level / Deposit
Development Impact Fees & In-Lieu Fees				
1	Housing			
	Commercial Linkage (Office/Medical/R&D)	Square Foot		\$12.81
2	Parks and Trails			
	Detached ADU	Dwelling Unit	[1,2]	\$1,885.61
	Other Non-Residential	Peak Service Population		\$1,047.18
	Single-Family	Dwelling Unit (Rental)		\$4,714.61
	Townhouse	Dwelling Unit (Rental)		\$4,714.61
	Multi-Family Housing	Dwelling Unit (Rental)		\$3,247.64
	Office/Research & Development	Square Foot		\$1.32
	Industrial	Square Foot		\$0.52
	Retail	Square Foot		\$0.87
3	Public Facilities			
	Detached ADU	Dwelling Unit	[1,2]	\$3,306.96
	Single-Family	Dwelling Unit		\$8,267.96
	Townhouse	Dwelling Unit		\$8,267.96
	Multi-Family Housing	Dwelling Unit		\$5,695.63
	Other Non-Residential	Peak Service Population		\$1,837.71
	Office/Research & Development	Square Foot		\$2.29
	Industrial	Square Foot		\$0.93
	Retail	Square Foot		\$1.52
4	Storm Drainage			
	Detached ADU within RBD	Dwelling Unit	[1,2,3]	\$2,208.45
	Single-Family within RBD	Dwelling Unit	[3]	\$5,521.10
	Detached ADU outside RBD	Dwelling Unit	[1,2,3]	\$1,277.61
	Single-Family outside RBD	Dwelling Unit	[3]	\$3,194.03
	All other Land Uses within RBD	Impervious acre	[3]	\$138,027.50
	All other Land Uses outside RBD	Impervious acre	[3]	\$79,850.62
5	Transportation			
	Detached ADU	Dwelling Unit	[1,2]	\$1,075.70
	Single-Family	Dwelling Unit		\$2,689.83
	Townhouse	Dwelling Unit		\$2,689.83
	Multi-Family Housing	Dwelling Unit		\$2,024.79
	Other Non-Residential	PM Peak Hour Vehicle Trips & Internal Trips Percentage		\$7,868.71
	Office/Research & Development	Square Foot		\$8.36
	Industrial	Square Foot		\$5.45
	Retail	Square Foot		\$8.36
6	Water Capacity			

EXHIBIT B

Single-Family	Dwelling Unit		\$9,293.47
Townhouse	Dwelling Unit		\$9,293.47
Multi-Family Housing	Dwelling Unit		\$5,719.58
Detached ADU	Dwelling Unit	[2]	\$5,719.58
Other Non-Residential	Meter Size - 3/4"		\$13,582.59
Other Non-Residential	Meter Size - 1"		\$22,637.65
Other Non-Residential	Meter Size - 1.5"		\$45,276.45
Other Non-Residential	Meter Size - 2"		\$72,441.62
Other Non-Residential	Meter Size > 2", Gallons Per Day		\$35.74

[Notes]

Fee is exempt for Accessory Dwelling Units (ADUs) equal to or smaller than 750 square feet.

- [1] For ADUs greater than 750 square feet, fee proportional.
Proportion allocated on square footage of ADU relative to primary residence.
- [2] The lessor of this amount or the maximum allowed by law.
- [3] RBD - Ravenswood Business District



WOODLAND PARK EUCLID IMPROVEMENTS

*Transportation Demand Management Plan
Transportation Action Plan*

Woodland Park Euclid Improvements

East Palo Alto Residential TDM Compliance Plan



Prepared for:

Sand Hill Property Company

Prepared by:



A Transportation Demand Management Company

(408) 420-2411

October 22, 2021

Attachment: TDM Plan and Parking Demand Analysis (2406 : Woodland Park Euclid Improvements)

EAST PALO ALTO RESIDENTIAL TDM COMPLIANCE PLAN

The Transportation Demand Management Compliance Plan provides basic information about the project and outlines how the project will comply with the East Palo Alto TDM Ordinance. The Euclid Improvements TDM Plan incorporates many TDM strategies to reduce traffic impacts and maximize residents' mobility options.

City of East Palo Alto Transportation Demand Management Program

In June of 2021, the City of East Palo Alto adopted an update to the TDM Ordinance, which amended Chapter 10.32 of the Municipal Code. The purpose of the TDM Ordinance is to address transportation-related impacts of new and existing developments to establish strategies that decrease the number of daily vehicle trips to and from a property. The East Palo Alto City Council established a 40 percent average daily trip reduction requirement for residential and non-residential development.

New residential developments must comply with the TDM Ordinance by selecting and incorporating TDM Strategies to meet a minimum number of points. Residential development with 100 or more units is required to achieve a minimum of 10 points to meet compliance.

Project Description

The Euclid Improvements site occupies 3.9 acres on East Palo Alto's Westside, northwest of University Avenue, adjacent to Highway 101, and northwest University Circle. Manhattan Avenue, West Bayshore Road, O'Connor Street, and Euclid Avenue contain the project. The project will provide 605 dwellings¹. Rental residences will easily walk or bike ride to nearby employment sites, transit access, dining, shopping, and recreation. The concept includes a total of 799,684 square feet of residential, retail, and community space, with up to 3,000 square feet of amenities for residents to enjoy, such as meeting rooms, a business center, common areas, fitness center, bicycle repair stations, and a publicly-accessible neighborhood park.

In addition to rental housing, the development includes retail spaces totaling up to 5,000 square feet. The retail uses will be primarily resident-serving spaces and consist of a café, convenience store, coffee shop, or other neighborhood retail.

Early outreach is a critical juncture at which to educate people about the benefits of alternative transportation. Potential residents and new occupants will be given information about alternative transportation and commute options at the occupancy time. They may be more receptive to this information as their commute patterns have already changed after the relocation.

The future property management will designate a TDM Coordinator to provide residents with information and updates regarding transportation resources and implement many of the measures outlined in the TDM Measure Implementation Table section below.

¹ To satisfy the East Palo Alto inclusionary housing ordinance, the applicant is in discussions with the city to provide for affordable housing at an additional location.

TDM Measure Implementation Table

The Euclid Improvements (Woodland Park Communities) project must achieve a minimum of 10 points through their residential TDM Program strategy.

Table 1 on page 3 shows the TDM measures that the project plans to implement. This table includes various measures left out of the initial draft TDM Ordinance, but the project believes they contribute to significant average daily trip reductions. The "Euclid Proposed Points" column indicates the number of points the project requests for implementing the associated measure. The total points this project anticipates receiving is 17.5. The following section describes each mitigation measure the project intends to implement.



Attachment: TDM Plan and Parking Demand Analysis (2406 : Woodland Park Euclid Improvements)

Table 1: TDM Measure Implementation Table

Table 1: TDM Measure Implementation Table		Available Points	Proposed Points
Affordable Housing	1. 20% Affordable Housing Project		
	2. 40% Affordable Housing Project	2	
	3. 60% Affordable Housing Project	3	
	4. 80% Affordable Housing Project	4	
	5. 100% Affordable Housing Project	5	
TDM Communication	6. Orientation, education or materials, distribution of transit, wayfinding and other TDM information and programs to new residents as they move in and annually to all residents (commuter resource flier, resident dashboard, transportation kiosk, instagram)	0.25	0.25
	7. Annual transportation fair or event		0.25
	8. Resident lease-language/trip reduction pledge form		0.25
TransitScreen and Mobile app	9. Real-time transportation resource, information tracker, and resident app (2 units)		0.25
TDM Coordinator	10. Designate a TDM Coordinator or contact person throughout the life of the project. This may be an individual who is an employee of - or at - the development project; or may be contracted by a third-party provider.	0.25	0.25
Proximity to Transit	11. Less than 0.5 miles to a major transit route (30-min headway)		0.25
	12. Less than 0.5 miles to a major transit route (20-min headway)	0.5	
	13. Less than 0.5 miles to Caltrain/Light Rail Station	2.5	
Proximity to Commercial Uses	14. Less than .5 miles from: 1. A shopping center consisting of at least three tenant spaces, or 2. Three separate retail/ restaurant/ service/ recreational uses.	0.5	0.5
	15. Less than .25 miles from: 1. A shopping center consisting of at least three tenant spaces, or 2. Three separate retail/ restaurant/ service/ recreational uses.	1	
	16. Include active, pedestrian-oriented commercial uses on the ground floor to create more walkable and inviting areas. Provide on-site amenities, such as cafés, gym, retail stores, or bank/ATM.	1	1
Participation in Commute. Org, or Transportation Management Association (TMA)	17. Certified participation in Commute.org, or equivalent program such as a TMA	1	1
	18. Commute assistance and ride-matching	0.25	0.25
	19. Shuttle program/shuttle consortium/fund transit service	2.5	
Transit Pass/Subsidy Programs	20. Provide free transit passes or carpool/vanpool subsidies to tenants equivalent to 30% of the value of their monthly fare or at least \$50 monthly. Transit passes and subsidies provided must be valid for public transportation options, including but not limited to BART, Caltrain, SamTrans, and ridesharing platforms and vanpool subscription (or costs).	2.5	0.5
	<i>*Points of this measure are allowed to be prorated if Developer will provide this program to a portion of the residents. The prorated points shall be calculated by using the same percentage number of participated residents that Developer will agree to provide. EX: 20% of the residents will be provided this program. The points value shall be 2.5 x 20% = 0.5</i>		
Bicycle Facilities	21. Bicycle facilities in conformance with CALGreen minimum bicycle parking requirements	0.25	0.25
	22. Bicycle facilities (secure, Class I) installed above code/CALGreen		0.25
	23. Bicycle Fix-it repair station (one for each building = 2)	0.25	0.25
	24. Bicycle Fix-it repair station (one station accessible to the public in corner park)		0.25
	25. Scheduled annual bicycle safety seminars		0.25
	26. Scheduled on-site quarterly mobile repair services		0.25
Access Improvements	27. Design street or roadways that provide multimodal travel choices and give people the option to avoid vehicular traffic congestion.	0.25	0.25
	28. Bus pull-out space	0.25	
	29. Bus shelter	0.25	0.25
	30. Visual/electrical improvements (e.g., lighting, signage)	0.25	0.25
	31. Other (e.g., micromobility parking zone, TNC loading zone)	0.25	
	32. Establish new, or enhance the quality of, pedestrian and bicycle facilities or infrastructures to facilitate active transportation from a project site to existing trails, bikeways, or adjacent streets. Pedestrian improvements should be within 0.5 miles of project site (approx. 10-15 minute walk); bicycling improvements within 2 miles of site (approx. 15-min ride at 10mph).	2	
Car Share Program	33. Providing private or public car share memberships to on-site residents	0.5	0.5
Proximity to Car Share	34. Less than 0.5 miles from a car share hub with cars available to on-site residents	0.25	0.25
Designated Car Share Parking Spaces	35. Provide curbside carpool/vanpool/rideshare loading zones	0.5	0.5
Bicycle/Scooter Share Program	36. Providing private or public bicycle/scooter share memberships to on-site residents	0.25	
Proximity to Bicycle Share	Site is less than 0.5 miles from a bicycle share hub with bicycles available to on-site residents	0.25	
Delivery Amenities	37. Offer delivery-supportive amenities, such as an area for receipt of deliveries, clothes lockers for laundry or dry cleaning, storage for package deliveries or temporary refrigeration for grocery deliveries. Delivery-supportive amenities can help reduce the need for individual vehicle ownership and vehicle trips by consolidating multiple trips at one central location.	0.5	0.5
Family-supportive Amenities	38. To address challenges that families face in making trips without a private vehicle, the property owner shall provide family-supportive amenities, such as on-site secure storage of personal car seats, strollers, cargo bicycles, or other large bicycles. Property owners can also provide shared building equipment, such as shopping carts or cargo bicycles for check out by residents.	1	
Paid Parking at Market Rate	39. Motorists pay directly for using parking facilities. Parking rates should be at the market rate and not subsidized by property owners or employers.	6.25	6.25
	40. Parking reduction to below code		0.25
Developer TDM Fee/TDM Fund	41. Impact fees can be collected from developers, generally on a per-unit or square footage basis, to fund the implementation of TDM programs. These TDM fees can be put in an escrow account for the developer or subsequent property manager to spend to implement programmatic elements of the TDM plan. NOTE: "Double dipping" with the already required "TMA Participation" measure (above) is not allowed. This measure cannot be given credit for TDM fund payment or developer fees already required by fee nexus ordinance by the governing jurisdiction. Credit here may only be given for voluntary TDM fund payment or developer fee negotiated separately with the governing jurisdiction.	1	
GreenTrip Certification	42. Achieve GreenTrip certification designation from TransForm		0.25
TOTAL		10	15.5

Attachment: TDM Plan and Parking Demand Analysis (2406 : Woodland Park Euclid Improvements)

Residential TDM Measure Descriptions

TDM Communication (0.25 points)

commuter training session or webinar to learn about available transportation resources and incentives and the site's sustainability goals. In addition, the TDM Coordinator will distribute a commute resource flier to each new tenant. Page 5 shows a sample commute resource flier.

Annual Transportation Event (0.25 points)

The project will host an annual event to promote transit and mobility options to residents. This event can pair with a tenant appreciation event or a regional event like Bike to Work Day.

Residential Lease Language (0.25 points)

At the occupancy, property management will provide all new tenants with Commuter Program information and sustainability goals. They will also ask new tenants to sign the acknowledgment of the project's green mobility goals and tenants' understanding of the site's trip reduction and alternative transportation mode-use goals.

The pledge form will encourage residents to use transit, bike, walk, or carpool as commuter mode options. In addition, resident lease language will inspire tenants to participate in trip reduction programs and engage in periodic commute surveys.

Image 1: Sample Commute Resource Flier

Euclid Commuter Resources

TRANSIT & SHUTTLE SERVICES

- [SamTrans Route 81](#)
- [SamTrans Route 280](#)
- [SamTrans Route 281](#)
- [SamTrans Route 397](#)
- [Palo Alto Transit Station Map](#)
- [Palo Alto Caltrain Real Time Mobile Tracking](#)
- [SamTrans Routes to/from Caltrain](#)
- [FREE Trial Transit Passes](#)
- [Transit Trip Planner](#)

CARPOOL & RIDEMATCHING SERVICES

- [Scoop](#) Carpool matching app
- [Waze](#) Carpool matching app
- [\\$100 Carpool Incentive](#)
- \$350 Monthly [Vanpool Incentives](#)
- [\\$300 New Vanpool Passenger Credits](#)
- [\\$500 Vanpool Driver Cash Reward](#)


BICYCLE PARKING & FACILITIES

- Secure Bicycle Parking ([registration form](#))
- [\\$100 Bicycle Incentive](#)
- Fixit Repair Studios
(at each secure bike storage room)
- [San Mateo County Bike Map](#)
- [Santa Clara County Bikeways Map](#)
- [Regional City Bike Maps](#)
- [Silicon Valley Bicycle Coalition](#)
- [Bicycle Resource Guide](#)
- [Bay Trail maps](#)
- [Bicycle Educational Webinars](#)

COMMUTER INCENTIVES & SERVICES

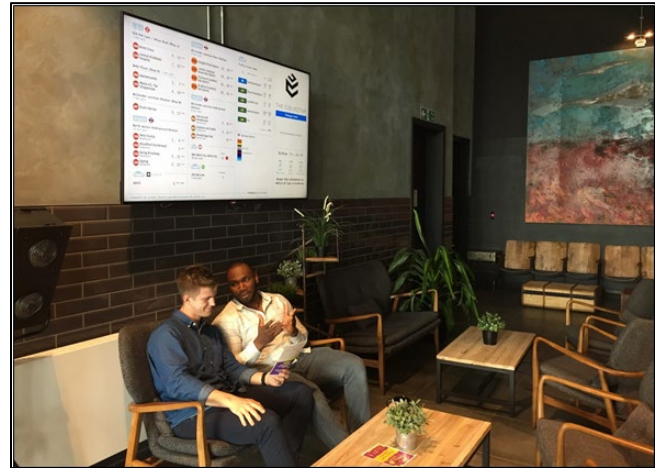
- Transportation Kiosk & Commuter material in main lobby
- [Euclid online resource website](#)
- [Free Guaranteed Ride Home Program](#)
- Commuter.org [Commuter Rewards](#)
- Bay Area [Spare the Air Alert Notices](#)
- Euclid [Commuter Assistance](#)

Euclid Commute Concierge
 Elizabeth Hughes
commute@euclid.com
 (408) 420-2411



Transit Screen and Mobile App (0.25 points)

The project will install a transportation information kiosk in building lobbies. Obvious transportation information will improve the resident's understanding of available transportation and commuter resources, including real-time transportation information, transit, shuttle arrival times, bikeshare and scooter options, and ride-hailing resources. For example, a TransitScreen kiosk consists of a mobile app for residents for on-the-go travel needs. Another alternative could be a wall-mounted or floor-standing kiosk containing physical bike maps, train schedules, shuttle fliers, and other rideshare materials.

***TDM Coordinator (0.25 points)***

The Euclid Improvements project will assign a staff member to provide Commute Concierge service with responsibilities to implement the alternative commute programs and the elements outlined in this plan. The Commute Concierge may be a part-time employee, property manager, or an outsourced coordinator, who manages the TDM programs and annual reporting.

In addition, the Commute Concierge will be responsible for providing commute program assistance to residents, producing on-site transportation fairs and promotional events, and collaborating with transit and rideshare organizations to maximize on-site resources. Commute industry data supports the notion that a Commute Concierge positively impacts increasing and maintaining alternative mode use.

Less than 0.5-Miles to a Transit Route with 30-Minute Headways (0.25 points)

In total, four bus drop-off and pick-up locations are conveniently located very near the project. Safe, convenient, and well-lit pedestrian paths will show the most direct route to the nearest transit stop from the project. A total of 118 SamTrans transit trips serve the project site. However, Route 81 operates only during the school year.

Shown in Table 2 below are SamTrans routes 81, 280, 281, and 397, which combine to provide transit headways of less than 30 minutes throughout the day.

Table 2: Transit Resources Serving Euclid Improvements Community

Route	Span of Service	Trips per Weekday	Communities Served
81 Samtrans	5 Days/Week (school year only) 7:10 a.m. - 3:40 p.m.	8	Clarke/Bayshore, Pulgas/O'Connor, Bay/University, Bayshore/Newell, Manhattan/O'Connor , Purdue/Fordham, Onetta Harris/Community Ctr, Newbridge/Carlton, Willow/Nash, and Middlefield/Ringwood
280 Samtrans	5 Days/Week 5:46 a.m. - 9:46 p.m. 60-minute headways	33	Stanford Shopping Center, Palo Alto Transit Center, Manhattan/O'Connor , Bayshore/Newell, Pulgas/O'Connor, and Purdue/Fordham
281 Samtrans	5 Days/Week 6:15 a.m. - 10:20 p.m. 30-minute headways	70	Stanford Shopping Center, Palo Alto Transit Center, University/Woodland , Bay/University, Newbridge/Saratoga, and Onetta Harris Community Center
397 Samtrans	5 Days/Week 12:46 a.m. - 6:17 a.m.	7	Palo Alto Transit Center, University/Woodland , Bay/University, Middlefield/5th, Redwood City Transit Center, El Camino/Hillsdale, El Camino/Burlingame, Millbrae Transit Center, SF Airport Courtyard A, Airport/Linden, Bayshore/Old County, Mission/1st, 11th/Market, and Drumm/Clay
Total SamTrans Bus Trips/Weekday		118	

* All buses and trains are lift equipped for handicapped, elderly, or those in need.

Image 2 below shows the walking route to each of these SamTrans routes. Residents can access each route with a walk of fewer than six minutes.

Image 2: Walking Route to Transit



Attachment: TDM Plan and Parking Demand Analysis (2406 : Woodland Park Euclid Improvements)

Less than 0.5-Miles from 3 Separate Retail, Restaurant, Recreation, or Service Uses (0.5 points)

At least three service and restaurant uses are near the project's location, including La Tiendita Market, Quattro restaurant, and Ladle & Leaf soup restaurant. Within walking distance, these services allow residents to access food or groceries without the need to drive.

On-Site Amenities (1 point)

On-site amenities will provide residents with a full-service living environment. Eliminating or reducing the need for an automobile to make off-site trips decreases average daily trip counts. Residents often perceive that they depend on the drive-alone mode because of the number of errands and activities carried out in different locations. On-site and nearby amenities help reduce this dependence on a vehicle. In addition, the project offers tenants many convenient amenities.

A list of on-site amenities for the project may include:

- Recreational spaces, picnic and patio areas
- Abundant Class I bicycle parking and community bicycles
- Transit and shuttle stop
- Transportation and commute kiosks (TransitScreen)
- Transportation and commuter app (CityMotion)
- Commute Concierge
- Work areas, meeting rooms
- Hardwired infrastructure for Broadband and WiFi
- Comprehensive fitness facilities

TMA Participation (1 point)

Transportation Management Associations (TMA) help businesses, developers, building owners, local government representatives, and others collectively establish policies, programs, and services to address transportation problems. The key to a successful TMA lies in the synergism of multiple groups banding together to accomplish more than any single employer, building operator, or developer could do alone.

In the City of East Palo Alto, Commute.org (formerly the Peninsula Traffic Congestion Relief Alliance) operates as a TMA organization. The project will participate with the Commute.org TMA and its programs. Commute.org provides:

- Shuttle programs
- Transit advocacy
- Carpool and vanpool matching
- Information on local issues
- Parking management programs
- Trial transit passes
- Emergency ride home programs
- Marketing programs
- Enhanced bicycle facilities
- Promotional assistance
- Car and vanpool incentives
- Newsletter

Commute Assistance and Ridematching (0.25 points)

The Commuter Concierge will provide trip planning assistance and ridematching services to residents interested in taking transit or rideshares. The Commuter Concierge may also promote ridematching apps such as Scoop or Waze Carpool to help residents find carpool partners.

Transit Pass Subsidies (0.5 points)

The project will offer transit pass subsidies to low-income residents. Residents will be able to use these subsidies on SamTrans, Caltrain, and VTA routes.

Bicycle Facilities in Compliance with CALGreen Code (0.25 points)

The Euclid Improvements project will install Class I covered and secure bicycle parking spaces in each residential unit. Throughout the project, secure bike parking rooms will also be available for residents. Short-term, Class II bicycle parking spaces will be open throughout the site in public areas near the park or bus shelters.

Enhanced Bicycle Facilities Above Code (0.25 points)

The project intends to provide more bicycle parking than is required per code. A surplus of available bicycle parking relieves concerns about storing a bicycle encouraging residents to make more bicycle trips.

Bicycle Fix-it Repair Stand (0.25 points)

The Euclid Improvements project will install an on-site bicycle Fix-it repair station. The Fix-it station will offer bicycle parking and do-it-yourself bike repair tools, and an air pump.

Located in a community's common area, the Fix-it station will include an air pump, working pedestal, and steel braided cables for theft protection.

Public Bicycle Fix-it Repair Stand (0.25 points)

The project will install a publicly accessible bicycle Fix-it repair stand in the on-site park. Neighboring residents will be allowed to access and use this public amenity.

Annual Bicycle Safety Seminars (0.25 points)

The Euclid Improvements project will coordinate with Commute.org to host an annual bicycle safety presentation. In partnership with a nationally certified League Cycling Instructor (LCI), Commute.org offers free bicycle safety workshops. The workshop covers practical and safety information, including:

- Planning your route, including connections to rail and water transit stations
- Equipping yourself and your bike
- Ways to safely and confidently communicate with other road users
- Using Google Maps to explore route options
- Other resources include the San Mateo County's bikeways and safe cycling booklet

Quarterly Mobile Bicycle Repair Services (0.25 points)

The project will schedule periodic mobile repair services for its bike commuters. A mobile repair and service firm, such as Summit Bikes, will travel to the project site and provide on-site repair and maintenance services for resident cyclists who sign-up for this service.

**Street Design (0.25 points)**

The Euclid Improvements project will provide pedestrian pathways throughout the community. Enhanced pedestrian and bicycle features will include wayfinding signage, lighting, and colored or textured pavement to designate protected walkways. Pedestrian amenities include wide sidewalks with fully accessible curb ramps at driveway crossings and delineated crosswalks. Overhead lighting will illuminate the walkways. The streetscape design reinforces the urban identity of the Euclid Improvements project and establishes a pedestrian environment.

The project adds public open spaces, including a one-acre neighborhood park containing a children's play area, fitness space, bike parking, and tenants' place to hold parties or gatherings. In addition, street trees, streetscapes, and landscaping will improve the site's quality and aesthetic appeal with pedestrian-oriented facades and wide sidewalks.

Bus Shelter (0.25 points)

The Euclid Improvements project collaborates with SamTrans and other local transit providers to discuss expanded or improved routes to serve the neighborhood better. The applicant proposes the construction of a new sheltered bus stop at the corner of Euclid and O'Connor. The transit shelter placement and construction require coordination with the City and SamTrans to determine a transit stop's suitability.



The purpose of a transit passenger shelter is to provide rider protection from the weather for those who are waiting to board transit vehicles. An attractive bus shelter that makes waiting for a bus a more pleasant experience encourages more transit ridership.

Visual Improvements (0.25 points)

Proper lighting and signage will provide a safe, pedestrian-oriented environment that supports bicycle and walking trips. On-site parks and landscaping will provide an appealing setting to walk in. Wayfinding signage will help residents find amenities such as bike parking facilities, repair stands, public open spaces, cafes, passenger loading zones, and more.

Rideshare and TNC Passenger Loading Zone (0.5 points)

The project will install a convenient and attractive passenger loading zone near a centralized location for residents, visitors, guests, and staff. The loading zone will include appropriate signage and striping to designate the space. A loading/unloading area facilitates disembarking and embarking of guests and rideshare passengers.

Carshare Program (0.5 points)

The project will offer residents that do not own a personal vehicle and carshare program subsidy. Residents can use these subsidies for free or discounted access to nearby carshare vehicles such as Zipcar.

Proximity to Carshare Parking (0.25 points)

The project will consider options to add designated parking for a carsharing vehicle.

Carsharing would provide residents with access to vehicles for any time use. The project may host a parking location (on-site or off-site) for two neighborhood carshare vehicles (e.g., Zipcar) or similar services.

Delivery Amenities (0.5 points)

The project will provide a designated area near lobbies to receive deliveries for tenants. This space will enable tenants to order food, groceries, and packages online rather than making a vehicle trip to and from the site.

Unbundled/Paid Parking (6.5 points)

Property management will charge for parking separately from rent. Residents will pay tiered pricing for on-site parking². Charging for on-site parking raises the costs of owning a personal vehicle and discourages residents from doing so by making transit and other mobility options more financially appealing.

Parking Reduction (0.25 points)

The project proposes to construct less parking than is required by code. Limiting parking availability discourages residents from owning a personal vehicle.

GreenTRIP Certification (0.25 points)

The project received a conditional GreenTRIP certification for meeting standards and to reduce vehicle trips, excessive parking, and greenhouse gases (29 percent less GHG).

Criteria include "daily household driving projected to be no more than 35 daily vehicle miles driven per household (44 percent fewer miles per day and 66 percent less driving than the regional average), a parking ratio of 1.5 spaces per unit or less, and the provision of at least one traffic reduction strategy. The project offers long-term and short-term bicycle parking and will participate in GreenTRIP's Transportation and Parking Survey for monitoring."

² The City may need to change its rules or acknowledge an exception process to allow this since current municipal code does not allow decoupling.



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March 12, 2020

Planning Commission
City of East Palo Alto
2415 University Ave
East Palo Alto, CA 94303

Dear Commissioners,

We are pleased to announce that the **Woodland Park Euclid Improvements project by Woodland Park Communities qualifies for Conditional GreenTRIP Certification** based on the current proposed design and amenities dated October 29, 2019.

Our evaluation demonstrates that the project meets GreenTRIP standards for the Neighborhood place type with daily household driving projected to be no more than 35 daily vehicle miles driven per household, a parking ratio of 1.5 spaces per unit or less, and the provision of at least one traffic reduction strategy. The project offers long term and short term bicycle parking, and will participate in GreenTRIP's Transportation and Parking Survey for monitoring. Upon approval of these conditions, this project will join an esteemed group of certified projects with low traffic and excellent transportation amenities.

Since 1997, TransForm has been working for world class public transportation and walkable communities in the Bay Area and beyond. In 2008, TransForm launched GreenTRIP, a certification program for new residential development, focused on **T**raffic **R**eduction and **I**nnovative **P**arking. GreenTRIP certifies projects that will allow new residents to drive less while increasing their mobility in a variety of ways. When residents have access to affordable homes close to services, jobs and transit, and developments are designed with traffic reduction and innovative parking, there are benefits for all:

- Increased household transportation savings.
- Economic support for locally serving businesses.
- Less freeway traffic and fewer vehicle collisions.
- Improved public health through increased walking and better air quality.
- Greater demand and support of transit services.
- Reduced greenhouse gas emissions, supporting compliance with SB375 and AB32.

The project meets the GreenTRIP Certification Standards for the "Neighborhood" place type. The Place Type is determined according to definitions set forth by the Metropolitan Transportation Commission's (MTC) Station Area Planning Manual, 2007. GreenTRIP Certification standards are designed according to these Place Types and tailored to create a feasible yet innovative standard.

WOODLAND PARK – EUCLID IMPROVEMENTS

PARKING AND TRANSPORTATION DEMAND MANAGEMENT MEMORANDUM

Attachment: TDM Plan and Parking Demand Analysis (2406 : Woodland Park Euclid Improvements)



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JUNE 2022

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1.0 INTRODUCTION

The purpose of this technical memorandum is to provide a peer review of the methodology used by GreenTRIP to estimate parking demand with and without the application of transportation demand management (TDM) measures for the proposed Woodland Park – Euclid Improvements project (proposed project). This memo also provides a preliminary assessment of whether the on-site parking supply and TDM plan would be expected to adequately serve residents without affecting surrounding parking supply on adjacent streets.

The project applicant is seeking a new zoning overlay with a new parking standard. The analysis presented in the memorandum are intended to support an appropriate parking rate for new multifamily housing developments in the proposed new zoning overlay district.

The applicant has submitted a TDM plan and GreenTRIP certification letter to provide a basis for demonstrating the proposed project's parking supply would adequately accommodate the expected residential parking demand. The GreenTRIP certification letter demonstrates the proposed project, with the implementation of the TDM plan, would result in a residential parking demand that is lower than the proposed parking supply.

1.1 KEY FINDINGS

CHS's review assessed the estimated project parking demand provided in the GreenTRIP certification letter. Based on this review, CHS concluded that parking demand for the proposed project would be less than both the minimum parking required by East Palo Alto Municipal Code¹ and the amount provided by the proposed project. CHS referred to the Institute of Transportation Engineers (ITE) Parking Generation Manual to estimate parking demand for the proposed project, which was within five percent of the GreenTRIP estimate for the proposed project without TDM measures. CHS used the methodology and research from the California Air Pollution Control Officers Association (CAPCOA) report, *Quantifying Greenhouse Gas Mitigation Measures* to estimate potential parking demand reductions. CHS determined the proposed project's TDM plan can reduce parking demand by 20 percent, which was identical to the parking demand reduction presented by GreenTRIP. Therefore, it was determined that the GreenTRIP estimate for project parking demand was accurate and generally aligned with established ITE and CAPCOA data and methodologies. Based on the GreenTRIP and ITE / CAPCOA estimates, the proposed project's 625 residential parking spaces would accommodate peak parking demand with a surplus of between 87 and 153 spaces.

1.2 PROJECT DESCRIPTION

Sand Hill Property Company is proposing the Woodland Park – Euclid Improvement project in East Palo Alto. The project site occupies 3.9 acres on East Palo Alto's Westside, northwest of University Avenue and adjacent

¹ East Palo Alto Municipal Code Chapter 18.30.050 requires multifamily residential developments to provide 1.0 spaces per studio unit, 1.5 spaces per one-bedroom unit, 1.8 spaces per two-bedroom unit, 2.0 spaces per three-bedroom unit, and 0.2 spaces per unit for guest parking.

to Highway 101. The proposed project is generally bound by Manhattan Avenue, West Bayshore Road, O'Connor Street, and Euclid Avenue. The project site provides easy pedestrian and bike access to nearby employment sites, transit access, dining, shopping, and recreation.

The proposed project would replace several aging, outdated structures containing 160 rent-stabilized housing units and one single-family rental (non-RSO) with new mixed-income buildings containing 605 apartments. Without displacing existing residents, 160 of the 605 units (approximately 26%) would be deed-restricted rent-controlled, replacing the existing apartments one-for-one. The proposed project's 605 units would consist of 228 studio, 197 one-bedroom, 178 two-bedroom, one three-bedroom unit, and one four-bedroom unit. The proposed project would construct 625 on-site parking spaces for resident use in a structured parking garage and would maintain the existing 52 on-street spaces along the project frontages. Private amenities space will be provided to residents, including meeting rooms, a business center, common areas, fitness center, and bicycle repair stations.

In addition to the rental housing, the proposed project would construct up to 5,000 square feet of ground-level retail uses, approximately 2,500 square feet of public community space, and a 9,200 square foot public park that will be primarily resident-serving spaces. No on-site parking would be provided for the proposed project's non-residential uses, who would be expected to use the 52 existing on-street parking spaces along the project frontages.

The City of East Palo Alto requires a TDM plan and analysis to justify the proposed parking ratio. The TDM plan was developed by TDM Specialists, Inc. The Woodland Park Euclid Improvements TDM Plan dated October 22, 2021, shows the proposed project's TDM plan earned more than the 10 points required by East Palo Alto. The TDM plan includes TDM communications, a TDM Coordinator, proximity to transit, proximity to commercial uses, participation in Commute.org or Transportation Management Association (TMA), transit pass subsidies for low-income residents, bicycle facilities, access improvements, proximity to carshare, delivery supportive amenities, and unbundled parking. The GreenTRIP certification letter dated April 19, 2022, shows the proposed project would meet the GreenTRIP certification requirements and is expected to generate parking demand for 0.89 spaces per unit with the implementation of the TDM plan, which is below the 1.03 spaces per unit provided by the proposed project.

2.0 GREENTRIP CERTIFICATION

2.1 GREENTRIP BACKGROUND

GreenTRIP is an innovative certification program launched by TransForm in 2008. GreenTRIP staff work with cities, developers, and communities to implement strategies like free transit passes and carshare memberships to reduce driving and prioritize space for people instead of parking. GreenTRIP started in the San Francisco Bay Area, but is developing partnerships, conducting empirical research, and building tools that can support communities throughout California and nationwide.

TransForm was founded in 1997 by Bay Area environmental and social justice groups that recognized the need to negate urban sprawl and redefine transportation in terms of access, health, justice, and sustainability. GreenTRIP initially focused on a certification program that would create new standards for development focused on parking and traffic, similar and complimentary to the U.S. Green Building Council's LEED certification.²

TransForm originally secured funding from the Bay Area Air Quality Management District's (BAAQMD) Climate Protection Grant Program and the Rockefeller Foundation in 2008 for a pilot test of GreenTRIP certification. GreenTRIP has since expanded beyond certification program to include research, stakeholder engagement and a parking database. GreenTRIP established an Advisory Committee, representing a variety of stakeholder groups including city planners, developers, transportation/development consultants, academics, and transportation agency staff.

GreenTRIP conducts a wide range of research including, traffic benefits of affordable housing, transit and affordable housing, travel behavior by income and transit proximity, and transit pass use survey and implementation. The GreenTRIP Connect tool uses these data to predict travel and emissions models for statewide use.

GreenTRIP also hosts a parking database funded as part of the Metropolitan Transportation Commission's Regional Prosperity Plan. The GreenTRIP Parking Database hosts data on actual parking usage at 80 housing developments around the Bay Area. The publicly available database is intended for use by city staff and leaders, community groups, and housing developers to show how greater affordability, proximity to transit, and strategies like those in GreenTRIP certified buildings reduce the need for parking.

The GreenTRIP certification program benefits from their Parking Database. The use of parcel-level demographic data, detailed street network, transit data, and extensive online spatial platform make the GreenTRIP Connect tool a powerful analytical tool. The parcel-level data allows the tool to provide site specific walk and bicycle access measures. The actual street network can be used to model non-motorized transportation, such as bicycle networks. This makes the tool useful for modeling appropriate travel alternatives. However, the GreenTRIP parking model only applies in the San Francisco Bay Area and is based on the GreenTRIP Parking Database. The parking model calculations are based on the following building variables:

- Parking supply
- Average rent
- Parking price
- Average bedrooms per unit
- Transit passes

² The U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) certification sets goals to reduce building contributions to global climate change, enhance individual human health, protect and restore water resources, protect and enhance biodiversity and ecosystem services, promote sustainability and regenerative material cycles, and enhance community quality of life.

- Carshare memberships
- Neighborhood variables (block size [walkability], job density within 30-minute transit ride, and transit connectivity (frequency of transit))

The parking model also uses the formulas and principals outlined in the California Air Pollution Control Officers Association (CAPCOA) report, *Quantifying Greenhouse Gas Mitigation Measures*³, which is the same document used to form the basis of CalEEMod and other environmental assessment tools.

The GreenTRIP Connect analysis tool is similar to the US Environmental Protection Agency (EPA) Smart Growth model that provides information about transit and pedestrian access to specific employment sites throughout the United States. The challenge for TransForm is to maintain an up-to-date database for travel and demographic data and extending the model to include other states outside of California. However, the tools are currently applicable to residential developments in California and more specifically municipalities in the Bay Area such as East Palo Alto.

CHS has used the GreenTRIP Connect tool and GreenTRIP Parking Database in the past to estimate parking demand and parking demand reductions for multi-family residential developments around the Bay Area. The data and methodologies used by GreenTRIP are based on empirical studies and observed travel behaviors in the Bay Area region, which provides an accurate assessment of local travel conditions and residential parking demand. The GreenTRIP Connect tool provides a limited set of TDM measures to assess potential reductions, which excludes many TDM measure options available to developers that can further reduce VMT and parking demand. However, the TDM measures GreenTRIP does incorporate (unbundled parking, transit pass subsidies, carshare subsidies, etc.) tend to have the greatest impact on reducing VMT and parking demand, which provides a reasonable assessment for the effectiveness of a development project's TDM plan.

2.2 GREENTRIP PROJECT ASSESSMENT

GreenTRIP certified the proposed project in an April 19, 2022, certification letter based on the current proposed design and amenities dated October 22, 2021. GreenTRIP certification requires projects in a Neighborhood setting to generate no more than 35 daily vehicle miles driven per household, provide no more than 1.5 parking spaces per unit, and the provision of at least one traffic reduction strategy. As outlined in the certification letter, the proposed project would provide long and short-term bicycle parking and will participate in GreenTRIP's Transportation and Parking Survey for monitoring.

GreenTRIP estimates that residents of the proposed project would drive 21 miles per day per household, or 66 percent less than the Bay Area regional average of approximately 62 miles per household per day. GreenTRIP cites the proposed project's density, location, and proximity to transit as the primary reasons for this reduction in VMT. The proposed project would provide 625 on-site parking spaces for 605 units, or 1.03 spaces per unit, which is less than the 1.5 residential parking space per unit maximum for GreenTRIP certification. The proposed project would also provide 625 secured bicycle parking spaces (Class One) and

³ California Air Pollution Control Officers Association (CAPCOA) August 2010 report, *Quantifying Greenhouse Gas Mitigation Measures – A Resource for Local Government to Assess Emission Reductions from Greenhouse Gas Mitigation Measures*

125 guest bicycle parking spaces (Class Two), which meets the GreenTRIP certification requirements of at least 1.0 Class One and 0.2 Class Two spaces per unit. The proposed project would also provide at least one traffic reduction strategy for 40 years, including unbundled parking, subsidized transit passes for low-income residents, and subsidies for carshare memberships.

Figure 1 shows the GreenTRIP Connect tool estimates the proposed project would generate 26.07 miles per day per household and parking demand for 1.03 parking spaces per unit, without TDM measures. With the provision of unbundled parking, subsidized transit passes, subsidized carshare memberships, and on-site bicycle parking, the GreenTRIP Connect tool estimates the proposed project would generate 19.41 miles per day per household and parking demand for 0.89 parking spaces per unit. This equates to a 26 percent reduction in VMT and 20 percent reduction in parking demand.

Figure 1: GreenTRIP Connect Analysis Results

Scenario	Parking Demand ¹	VMT ²
Project no TDM	1.03	26.07
Project with TDM	0.89	19.41
Difference (%)	-20%	-26%

Source: GreenTRIP Connect by TransForm

Notes:

1. Parking Demand = demand generated per unit
2. VMT = vehicle miles traveled per day per household

To confirm the validity of the GreenTRIP VMT and parking reduction results, CHS conducted an independent calculation using the GreenTRIP Connect tool. CHS was able to replicate and verify the results as documented in the April 19, 2022, certification letter.

3.0 PROJECT PARKING DEMAND EVALUATION

This section provides an evaluation of the proposed project's parking supply and demand. To estimate the proposed project's parking demand, CHS used the Institute of Transportation Engineers (ITE) Parking Generation Manual, 5th Edition and CAPCOA report, *Quantifying Greenhouse Gas Mitigation Measures*.

3.1 INSTITUTE OF TRANSPORTATION ENGINEERS (ITE) PARKING GENERATION

To estimate the proposed project's residential parking demand, CHS used the Multifamily Housing (Mid-Rise) land use (ITE Code 221) in a General Urban / Suburban setting with no nearby rail transit. This land use generates an average parking demand for 0.75 spaces per bedroom. Note that the ITE parking generate rate for the proposed project's residential land use is inclusive of the private onsite amenities (e.g., coworking library, game room, fitness center, etc.) and guest parking demand. **Figure 2** shows the proposed project's residential use would generate peak parking demand for up to 592 spaces or approximately 0.98 spaces per unit (592 occupied spaces / 605 units). Therefore, the project's residential parking supply of 625 spaces would

be expected to accommodate the peak residential parking demand for up to 592 spaces with a surplus of at least 33 spaces without TDM measures.

Figure 2: ITE Parking Generation Estimate - Residential

Land Use	Size	Unit ¹	Rate ²	Demand
Studio/1BR	425	du	0.75	319
2BR	178	du	1.5	267
3BR	1	du	2.25	3
4BR	1	du	3	3
Total	605	du	0.98	592

Source: ITE Parking Generation Manual, 5th Edition; Multi-Family Mid-Rise Residential (ITE Code 221) in a General Urban/Suburban setting with no nearby rail transit (greater than 0.5 miles).

Notes:

1. du = dwelling unit
2. Occupied parking spaces per dwelling unit

CHS also estimated the parking demand for the proposed project's non-residential land uses, including ground-level retail, public community space, and public park. For the proposed project's 5,000 square feet of ground-level retail, CHS used the Shopping Center land use (ITE Code 820) in a General Urban / Suburban setting. This land use generates an average parking demand for 1.95 spaces per 1,000 square feet of occupied floor area on weekdays and 2.91 spaces per 1,000 square feet of occupied floor area on weekends. For the proposed project's 2,500 square feet of public community space, CHS used the Recreational Community Center land use (ITE Code 495) in a General Urban / Suburban setting. This land use generates an average parking demand for 2.07 spaces per 1,000 square feet of occupied floor area on weekdays and 4.00 spaces per 1,000 square feet of occupied floor area on weekends. For the proposed project's 9,200 square foot (0.21 acre) public park, CHS used the Public Park land use (ITE Code 411) in a General Urban / Suburban setting. This land use generates an average parking demand for 0.47 spaces per acre on weekdays and 1.21 spaces per acre on weekends. Note that CHS conservatively excluded potential internal trip capture reductions from project residents who are expected to use the non-residential land uses onsite and thus do not require additional parking. Additionally, the land use designations chosen to represent the Project's non-residential land uses are approximate and generally represent a conservatively high estimate. The project applicant expects many users will walk or bike to the non-residential land uses.

Figure 3 shows the proposed project's non-residential uses would generate peak parking demand for up to 26 spaces on a typical weekend day, including 15 spaces for retail, 10 spaces for the public community center, and up to one space for the public park. Therefore, the project's non-residential parking demand for up to 26 spaces would be accommodated by the 52 existing on-street parking spaces along the project frontages. Furthermore, the proposed project's residential and non-residential land uses are complimentary in terms of parking, as the non-residential parking demand peaks during the midday period when residential parking demand is lowest.

Figure 3: ITE Parking Generation Estimate – Non-Residential

Land Use	Size	Unit	Weekday		Weekend	
			Rate ¹	Demand	Rate ¹	Demand
Retail	5,000	square feet	1.95	10	2.91	15
Public Community Space	2,500	square feet	2.07	5	4.00	10
Public Park	0.21	acres	0.47	1	1.21	1
Total			-	16	-	26

Source: ITE Parking Generation Manual, 5th Edition; Shopping Center (ITE Code 820) in a General Urban/Suburban setting.

Notes:

1. Occupied parking spaces per 1,000 square feet of occupied floor area or per acre

3.2 TDM PARKING DEMAND REDUCTIONS

To evaluate the effectiveness of TDM measures to reduce parking demand, CHS used the CAPCOA report, *Quantifying Greenhouse Gas Mitigation Measures* to estimate the potential parking demand reductions resulting from the proposed project's TDM plan. The CAPCOA report establishes maximum reduction caps for development projects based on their place type, including urban (75 percent), compact infill (40 percent), suburban center (20 percent), and suburban (15 percent) place types. The proposed project's location as defined by CAPCOA would be suburban center, as it is located approximately 20 miles or more from a regional central business district, has two-story typical building heights, a typical street grid pattern, somewhat constrained on-street parking, low parking pricing (if priced at all), and bus service with 30-minute headways. Therefore, the proposed project would have a maximum reduction cap of 20 percent due to its suburban center setting.

The CAPCOA methodology also groups TDM strategies into four categories that have their own individual maximum reduction cap, including Land Use / Location (10 percent), Neighborhood / Site Enhancement (5 percent), Parking Policy / Pricing (20 percent), and Commute Trip Reduction (CTR) strategies (15 percent). Despite each of the subcategory maximum reduction caps adding up to a 50 percent reduction, the 20 percent global reduction cap for suburban center applies. Therefore, the proposed project would not benefit from additional TDM measures after reaching the 20 percent global cap. **Figure 4** shows the proposed project's TDM plan is expected to reduce VMT and parking demand by up to 20 percent based on CAPCOA methodology.

Figure 4: CAPCOA TDM Reduction Estimate

TDM Measure / Strategy	Reduction Range	Project Reduction	Description
Land Use / Location			
Density	0.8-30%	30%	175 units / acre (7.6 units / acre Suburban avg.)
Diversity	6.7-20%	1%	97% Residential, 1% Retail, & 2% Public Park
Transit Accessibility	0.5-25.5%	1%	2.2 miles to rail transit stop
Land Use / Location Subtotal	0-10%	10%	
Neighborhood / Site Enhancements			
Pedestrian Network Improvements	0-2%	2%	Project provides pedestrian improvements onsite and connecting off-site
Carshare Subsidy / Program	0-1%	1%	Carshare membership subsidy and 2 onsite carshare vehicles
Neighborhood / Site Enhancement Subtotal	0-5%	3%	
Parking Policy / Pricing			
Unbundled Parking Costs	0-13%	6%	\$50 / month / space
Parking Policy / Pricing Subtotal	0-20%	6%	
Commute Trip Reduction (CTR) Programs			
Required CTR Program	4.2-21%	21%	TDM Coordinator, TMA, bicycle facilities, commute assistance and ridematching, onsite amenities
Transit Fare Subsidy	0-20%	2%	\$50 transit fare subsidy to low-income residents (26%)
CTR Marketing	0.8-4%	4%	TDM orientation, education or materials, distribution of transit, wayfinding, and other TDM information
Land Use / Location Subtotal	0-15%	15%	
TDM Program Total	0-20%	20%	

Source: California Air Pollution Control Officers Association (CAPCOA) August 2010 report, *Quantifying Greenhouse Gas Mitigation Measures – A Resource for Local Government to Assess Emission Reductions from Greenhouse Gas Mitigation Measures*; CHS Consulting Group, 2022.

As shown in **Figure 4**, the proposed project's Land Use / Location strategies are expected to reduce demand by a combined 10 percent, Neighborhood / Site Enhancement strategies are expected to reduce demand by a combined two percent, Parking Policy / Pricing strategies are expected to reduce demand by up to six percent, and CTR strategies are expected to reduce demand by up to 15 percent. However, due to the cross-category and global maximum caps, the proposed project is expected to reduce demand by 20 percent.

Figure 5 compares the results of the ITE and CAPCOA parking demand and reduction estimates to the GreenTRIP results from **Figure 1**. The GreenTRIP Connect tool estimates the parking demand for the proposed project without TDM would be 1.03 spaces per unit, which is 0.05 spaces per unit or five percent higher than ITE estimates. GreenTRIP estimates the project's TDM measures would reduce parking demand by 20 percent to 0.89 spaces per unit. Whereas ITE estimates the parking demand for the proposed project without TDM would be 0.98 spaces per unit and with TDM measures would reduce parking demand by 20 percent to 0.78 spaces per unit. Therefore, the GreenTRIP estimate is well within range of the ITE and CAPCOA results with both estimating the proposed project's TDM plan would reduce parking demand by 20 percent.

Figure 5: Parking Demand Reduction Estimate Comparison

Scenario	Parking Demand per Unit	
	GreenTRIP	ITE/CAPCOA
Project no TDM	1.03	0.98 ¹
Project with TDM	0.89	0.78
TDM Reduction (%)	-20%	-20% ²

Notes:

1. Based on ITE Parking Generation Estimate from **Figure 2**
2. CAPCOA methodology sets maximum reduction cap at 20% for projects in suburban settings due to limited access to transit and other alternative modes (e.g., walking, biking, etc.)

Figure 7 shows the estimated parking demand with TDM from both the GreenTRIP and ITE / CAPCOA methodologies, which shows the proposed project's 625 residential parking spaces would accommodate peak demand with a surplus of between 87 and 153 spaces.

Figure 6: Project Residential Parking Demand with TDM Reductions

Land Use	Size	Unit	GreenTRIP		ITE / CAPCOA	
			Rate	Demand	Rate	Demand
Residential	605	du	0.89	538	0.78	472
Proposed Residential Parking Supply			625			
Surplus / (Deficit)			87		153	

Source: CHS Consulting Group, 2022

4.0 CONCLUSIONS

Based on the results of the peer review, CHS concurs that the anticipated parking demand of the proposed project uses is lower than the parking supply proposed by the project. The GreenTRIP parking demand estimate without TDM measures is within five percent of the ITE parking demand estimate. Additionally, the 20 percent reduction in parking demand estimated by GreenTRIP from proposed TDM measures is identical to the estimate CHS calculated using CAPCOA methodology.

5.0 ABOUT CHS CONSULTING GROUP

CHS Consulting Group is a Northern California-based multimodal transportation planning and engineering firm that offers more than 20 years' experience in parking studies, ranging from supply and demand analyses, shared parking, and demand management strategies to revenue and cost effectiveness analyses and concept design. We work with both public agencies and private developers to develop strategies for future development projects, as well as the community's sustainability and access goals. Understanding the true demand for parking is key to creating more livable communities, achieving reductions in VMT, and ultimately addressing California's ongoing housing crisis. Our Parking Principal and Proposed Project Manager, Terri O'Connor, offers a broad range of experience in working with local communities such as the Cities of Berkeley and Napa and the Town of Windsor to understand the impact of their current parking regulations and help them draft new ones. She also understands the complexities in planning for transit oriented developments, and her extensive experience in working on regional parking policy development for MTC gives her a well-rounded background in supporting smart growth and pricing mechanisms to support the success of downtown areas and encourage the use of alternative modes of transportation.

The CHS team has a broad range of experience with parking analysis, surveys, and operations, as well as extensive work on parking management and development projects in downtown areas. Key personnel include

Terri O'Connor, Principal Planner, and Parking and TDM Sector Lead

Terri has 20 years of experience as a transportation planner in California and the western United States. Her consulting work emphasizes a community-based consensus-building process to develop guiding principles, which are used to steer the development of future parking and TDM plans. She has worked in urban, suburban, small-town, and college town communities, for affordable housing and market-rate developers, as well as public agencies and private employers.

Parking Management Plans & Studies

Terri has worked with many jurisdictions in California on the comprehensive soup to nuts development of parking management plans as well as focused studies including the development of guiding principles, stakeholder engagement strategy, data collection and analysis, strategy development/ recommendations, and implementation plans, which have included demand models, demand management and parking requirement strategies, operational and parking technology, and financial assessments.

- Most recently Terri has provided curb management strategies for the Town of Windsor in advance of the SMART rail service to their downtown area and is putting the finishing touches on a plan focused on shared parking between Napa's Downtown and Oxbow District which would also connect the district's destinations and parking supplies with an eShuttle.
- Prior to that, she led the grant-funded goBerkeley demand responsive parking study and Berkeley SmartSPACE Residential shared parking pilot (RSPP); both were data- and engagement-intensive studies.

Parking Reform Analysis and Curb Management

- Terri recently completed a project with the City of Berkeley to determine how existing off-street parking regulations match actual demand. The study included outreach to and a survey of property managers for multifamily housing developments in the City, socioeconomic analysis, site selection, and parking data collection. The results supported the city's desire to reduce/eliminate minimum parking requirements for multifamily housing
- Terri is currently leading a CHS team advising Redwood City as they update their Downtown Precise Plan (DTPP), particularly in the area of parking reform and developing and researching state-of-the-practice for communities that retain/use in-lieu fees to foster favorable shared parking arrangements for the public. This work builds off of the Downtown Parking Management plan effort that Terri led for the City in 2013/4.
- Terri is also the parking lead for the Ventura-Cahuenga Boulevard Specific Plan Transportation Project for the LA City Planning Department, where she developed curb management best practices, corridor parking management strategies, and a parking rate strategy based on occupied land use in mixed-use pedestrian-oriented districts.

Transit Oriented Development/Transit Oriented Communities

- Terri recently completed a Parking and TDM plan for the Berryessa BART Urban Village for the City of San José. The goal of the plan was to accommodate an aggressively low non-SOV mode split of 35% in support of the Envision San José 2040 General Plan. The plan included a shared parking district, unbundled parking, parking fees, elimination of parking requirements and several TDM measures (secure bike facilities, transit passes, mobility wallet, carpool matching, etc.) and a TMA business plan.
- Terri has also worked extensively with VTA directly in parking policy development for their TODs and on consultant teams for the upcoming Silicon Valley BART Stations (28th Street/Little Portugal, Santa Clara, and Downtown San José) in the right-sizing parking strategy and shared mobility district (SMD) concepts.

Gary Hsueh, Principal Planner and CHS Director of Mobility

Gary has 19 years of experience as transportation planner. He leads CHS projects in Transportation Demand Management (TDM), transit, and emerging mobility for CHS. He is currently designing and implementing a mode-shift pilot program for SFMTA that was launched in January 2022. The program has gained substantial number of participants than originally planned and is currently gone through mid-term evaluation and program adjustment. He is also the CHS Project Manager for the Marin County TDM Program. This TDM Program involves both program update and annual monitoring and reporting. This TDM Program uses RideAmigo platform to outreach employees and residents in Marin County and also includes a special target for those who are travelling SR 37 to Marin County. Prior to joining CHS, he directed the Federal Transit Administration (FTA) sponsored Mobility On-Demand Sandbox Demonstration project that involved 4 local

cities and created a software platform featuring real time multi-modal trip planning with commute benefits and integrating it with an existing commute management.

Ben Miller, Lead Transportation Planner Parking/TDM Analyst

Ben is a transportation planner with 5 years' experience in providing multi-modal transportation impact analyses, transit service planning, and parking and transportation demand management programs. He has used his expertise in geographic information systems (GIS) and spatial analysis to develop location-specific shared parking demand models for public agencies and ultimately reduce the need for new public parking facilities. He has also done numerous parking and TDM studies for proposed developments, analyzing nearby parking utilization to demonstrate true parking need and avoid negative impacts on adjacent local business owners and nearby residents.

Ben is currently creating a parking model for the John Muir Health team for the redevelopment and master planning of their Concord medical campus. As part of this effort Ben is reviewing the existing campus TDM program to assess the current effectiveness of TDM measures and provide recommendations to improve effectiveness of each measure and increase overall employee participation.

Ben has also recently helped the City of Napa develop a parking management and mobility strategy based on policy and transportation context and anticipated parking demand in partnership with existing planned efforts in the City's Downtown and Oxbow neighborhoods. Ben was responsible for developing shared parking models for each neighborhood to analyze the potential impacts of proposed parking management and mobility strategies under existing and future year conditions.



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**Woodland Park Apartments
Euclid Improvement Area
East Palo Alto, CA**

RELOCATION PLAN
DRAFT – September 6, 2022

Prepared for

**Woodland Park Communities
5 Newell Court
East Palo Alto, CA 94303**

by

**Autotemp
373 4th Street Suite 2A
Oakland, CA 94607**

September 2022

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

EXECUTIVE SUMMARY

Sand Hill Property Company (Sand Hill) acquired the Woodland Park Apartments in February 2016. Over time, Sand Hill recognized the need to ultimately redevelop a small percentage of outdated units due to the high level of deferred maintenance.

Prior to and following the pre-application to the City of East Palo Alto, Sand Hill began meetings with the residents of the Euclid Improvement Area along with community stakeholders. Using the Westside Area Plan and feedback from the residents and stakeholders, the community-centered Core Principles were developed. See Section 2(A) below.

Then, further meetings with the residents and stakeholders led to the development and refining of the Relocation Commitments that guide this Relocation Plan. These commitments included the noticing and Replacement Apartment selection process; moving assistance by a licensed and insured professional mover; the right to return to newly constructed apartments; and the commitment to “**no displacement**”.

The “Optional Tenant Requested Move” program was introduced to the residents in the fall of 2019. It followed the original Relocation Commitments. Twenty-nine households have taken advantage of this program and have moved to “move-in ready” apartments within the Woodland Park Apartments. Pursuant to the original Relocation Commitments, these apartments contain the same number of bedrooms and parking spaces that the household had in their previous apartment. In addition, the household continues to pay the same Rent-Stabilized Rent.

Now, this Relocation Plan is being submitted for approval with the entitlements of the Euclid Improvements. The Plan builds upon the original Relocation Commitments. Moreover, the City of East Palo Alto has requested certain additional commitments, which have been added to this Relocation Plan and memorialized in the UPDATED Relocation Commitments. See Section 3(B) and 3(C).

Each household will have the following housing choice:

Option A: Remain at Woodland Park With Right of Return. We will move your household, at no cost to you, to a Replacement Apartment in the same neighborhood at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened. (In the unlikely event that no like-sized or larger Replacement Apartment within Woodland Park is made available to you, we will assist you in finding a comparable unit until the Right of Return Apartment is available.) You will have a right of return into a brand-new right of return unit, at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes the moving benefit described below. If you return to a Right of Return Apartment, you will receive an Anti-

Displacement Incentive.

Option B: Move Elsewhere With Right of Return. You may choose to leave Woodland Park and move into different housing that you find for yourself. You will have a right of return into a brand-new right of return unit, and at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes the moving benefit described below.

Option C: Move Elsewhere, Waive Right of Return, Receive Relocation Payment. You may choose to leave Woodland Park, give up your right of return into a brand-new right of return unit in the Euclid Improvements and instead receive a Relocation Payment. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant's total Relocation Payment may also include one or more Qualified Tenant Benefits. A tenant who is Low Income, Disabled, Elderly, Dependent, or Terminally Ill would receive a Qualified Tenant Benefit of \$3,303.61 for each additional payment category that applies to the tenant receiving the Relocation Payment. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date. This includes a moving benefit described below.

Each household, regardless of the housing option chosen, will also have the following moving benefit choice:

Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

Choice 3: You move yourself. Woodland Park will provide a Moving Assistance Payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

After approval of the Relocation Plan, the relocation process will follow at the appropriate time and phasing as indicated in this Plan.

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Attachments

Attachment 1: Sample Draft Communications with Affected Tenants

- Notice of Relocation Plan Approval
- Notice of Termination of Tenancy
- Tenant Choice and Replacement Apartment Notice
- Reminder Notice: Tenant Choice
- Letter to Tenant Regarding Replacement Apartment Selection
- Final Letter to Tenant Assigning Replacement Apartment
- Replacement Apartment Lease Addendum
- Letter to Rent Stabilization Program Regarding Change in Tenancy (Replacement Apartment)
- Letter Regarding Relocation Payment
- Letter to Rent Stabilization Program Regarding Final Relocation Payment
- Notice of Right of Return
- Right of Return Choice Form
- Reminder Notice: Right of Return Choice
- Right of Return Lease Addendum
- Letter to Rent Stabilization Program Regarding Change in Tenancy (Right of Return)
- Notice of Anti-Displacement Incentive

Attachment 2: Example Flowchart

Attachment 3: City-Calculated CPI Annual Adjustments to Relocation Benefit Amounts

I. INTRODUCTION

This Relocation Plan sets forth UPDATED Relocation Commitments from Sand Hill Property Company, in accordance with direction from the City of East Palo Alto, that will apply to any mandatory relocation activities necessary to implement the Euclid Improvements. The Plan also articulates several related benefits and processes that will apply to those relocation activities.

This Plan sets forth policies and procedures necessary to relocate households respectfully and efficiently in accordance with input received from the community and to conform to ordinances and policies established by the City of East Palo Alto. No mandatory relocation activities will take place prior to the required reviews and approval of this Plan.

A. The Project

The proposed Project area, the Euclid Improvement Area, currently consists of 161 residential units. Sand Hill Property Company (the “Developer”) proposes the demolition of the existing residential structures and their replacement with a unit mix as shown in the following table.

UNIT MIX

TYPE	CURRENT*	MIX	PROPOSED	MIX	AVG. AREA
STUDIO	53	33%	228	38%	405 sf
1 BR	102	64%	197	33%	650 sf
2 BR	4	2%	178	29%	960 sf
3-4 BR	2	<1%	2	<1%	1,825 sf
TOTAL	161		605		

* There are 160 current rent-stabilized units and one 2 BR single-family rental (non-RSO)

The current buildings are between 50 and over 100 years old and many are at the end of their useful lives, having been built inexpensively to obsolete standards. The Developer has been making incremental improvements, but ultimately, maintenance and small-scale improvements alone won't be enough to maintain the buildings and the shared spaces at the high quality that the tenants and the community deserve.

With no displacement, the Developer proposes the replacement of aging, outdated structures containing 160 rent-stabilized housing units and one single-family rental dwelling with newly constructed mixed-income buildings containing 605 apartments, 160 of which will be deed restricted rent controlled, replacing the existing units one-for-one as depicted below on the 3.92-acre site.

RELOCATION PLAN – WOODLAND PARK APARTMENTS – EUCLID IMPROVEMENT AREA



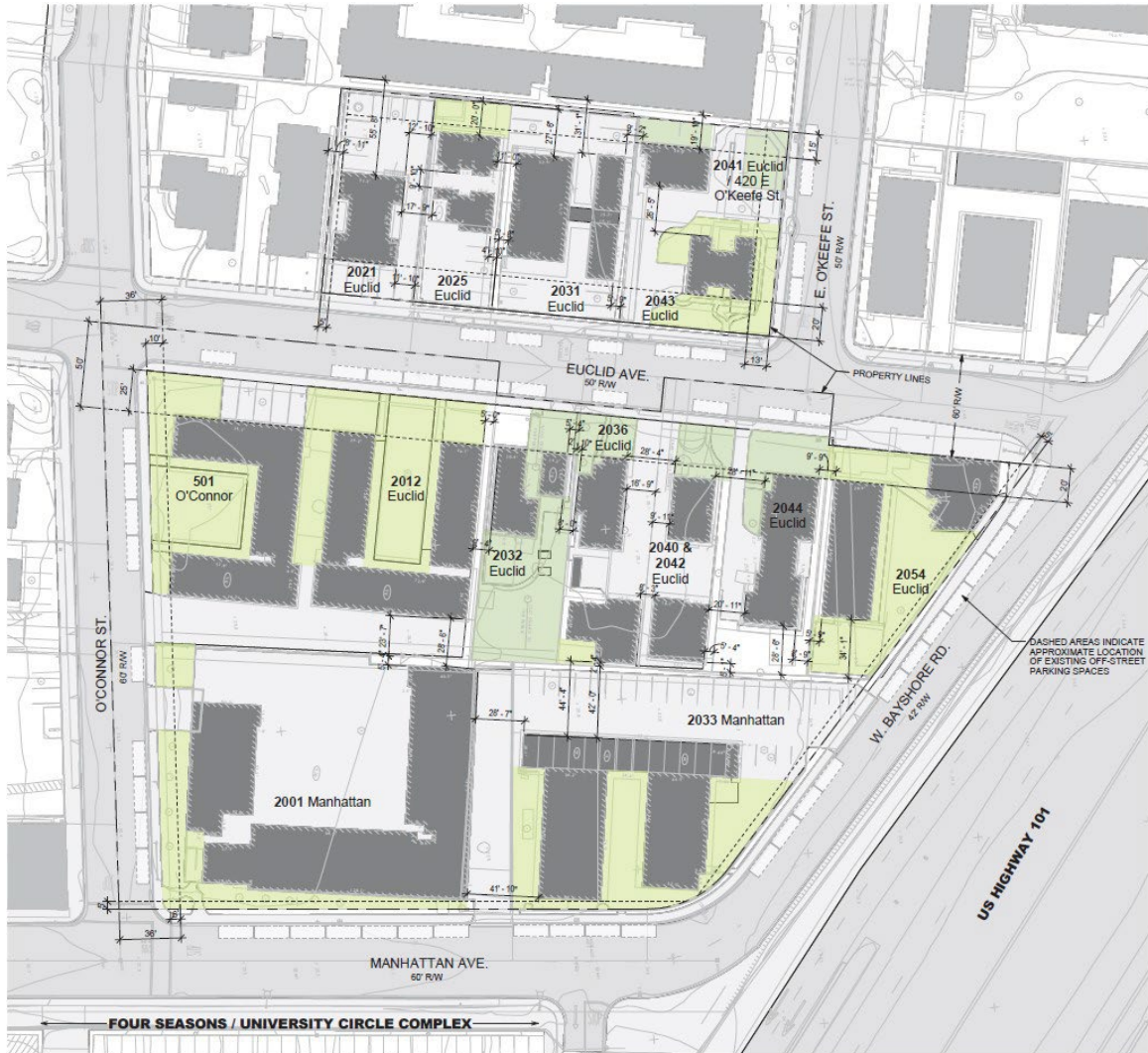
Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

RELOCATION PLAN – WOODLAND PARK APARTMENTS – EUCLID IMPROVEMENT AREA

The dwelling units which are the subject of this Relocation Program are located in the City of East Palo Alto and County of San Mateo. The subject properties are shown on the current site plan and table, below.

The proposed improvement area includes the following addresses:

- 2021 Euclid Ave.
- 2043 Euclid Ave.
- 2036 Euclid Ave.
- 2044 Euclid Ave.
- 2041 Euclid Ave. (previously known as 420 E. O’Keefe)
- 2001 Manhattan Ave.
- 2025 Euclid Ave.
- 2012 Euclid Ave.
- 2040 Euclid Ave.
- 2054 Euclid Ave.
- 2031 Euclid Ave.
- 2032 Euclid Ave.
- 2042 Euclid Ave.
- 501 O’Connor St.
- 2033 Manhattan Ave.



Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

As a result of the Project, up to 60 existing households in the Euclid Improvement Area will be transferred to other Woodland Park units or may choose to move offsite, to allow the demolition and reconstruction to occur in an orderly and safe manner. It should be noted that an additional 29 households participated in an early move program (the “Optional Tenant Requested Move” or “OTRM” program), having already relocated to other units within Woodland Park, with a Right to Return. Three of those households subsequently left Woodland Park.

B. The Developer

Sand Hill Property Company was founded in 1988. Today, the Company is recognized as one of the most reputable and successful real estate investment and development companies in the Silicon Valley. Over the past three decades, the company has developed numerous real estate projects.

The Company’s portfolio includes apartments, shopping centers, mixed-use communities, office complexes, and hotels. Sand Hill handles all aspects of the investment and development process, including acquisition/disposition, financing, planning/government entitlement, design, construction, leasing, and property management.

Sand Hill Property Company’s accomplishment is attributed to its corporate philosophy that honesty and integrity are indispensable traits of a successful business. The Company has been responsible for significant development in many of Silicon Valley’s communities and has earned the trust of the region’s municipal governments, as well as its tenants.

Woodland Park Communities, an affiliate of Sand Hill Property Company, previously acquired over 1,800 units of multifamily apartments in East Palo Alto and proposes to redevelop a small fraction of the Woodland Park Apartments in the Euclid Improvement Area (the “Project”).

C. Relocation Consultant

Autotemp, an experienced acquisition and relocation firm, has been selected to prepare this Relocation Plan (‘Plan’), and will provide all support to households and property management in its implementation. Autotemp has significant experience planning and implementing for residential relocation throughout California, including in East Palo Alto. Autotemp regularly works in residential communities comprised of rent-controlled apartments as well as income-restricted affordable housing. Autotemp has bilingual staff.

II. APPLICABLE PRINCIPLES AND POLICIES

This Plan has been developed to align with the applicable principles, policies, and law. The

following sections detail the community-centered core principles and West Side Area Plan policies. The Relocation Plan also complies with applicable laws. In response to City comments, Woodland Park has provided an analysis of such compliance under separate cover.

A. Community-Centered Core Principles

For over three years, the Developer has worked closely with the tenants, neighbors, community groups, city staff, and local officials to get to know the neighborhood and the community. The knowledge gained from their experiences and interactions, as well as the Westside Area Plan, has led to the establishment of the following five “Core Principles” to guide the development:

1. **No Displacement:** All existing tenants will always be able to stay at Woodland Park, and can return to newly constructed Replacement Apartments at their same Rent-Stabilized Rents.
2. **Preserve Housing Affordability and Stability:** Despite state law which says that new buildings cannot have rent control, the Developer will voluntarily deed-restrict 26% of the total units to be rent controlled, replacing all existing rent-controlled units one-for-one, to preserve the Rent Stabilization Program, ensure housing stability for future tenants, and lock-in the below market rents of existing tenants.
3. **Community Informed Plans:** The Developer values community input and creates and seeks opportunities to engage with tenants and the community. Prior to submitting a formal application, more than 17 community and tenant meetings were held regarding this proposal, and many small group and one-on-one conversations. This is a community-informed application, and the Developer will continue to seek and respond to input and feedback.
4. **Better Parking and Mobility:** The plans include better parking and mobility options, including significantly more parking and a new bus stop, and improved options for walking, biking, and transit wherever possible. The Developer will have a Transportation Demand Management (TDM) plan.
5. **Safer, Healthier Buildings:** The buildings at Woodland Park are between 50 and over 100 years old, and many are at the end of their useful lives. They were built inexpensively to old standards, and were not always cared for by previous owners. The Developer will create safer, healthier buildings that meet or exceed modern seismic and other life safety standards.

B. Westside Area Plan Guiding Principles

The Euclid Improvements implement the City's vision. The East Palo Alto General Plan articulates community goals for the Westside, including 14 Guiding Principles. The Developer strongly supports these goals that the City developed through years of community input and analysis. The Developer also recognizes its duty as a major housing provider on the Westside to carefully implement the City's objectives. Their proposal and this Plan comply with the Guiding Principles, as described below.

1. **Avoid Displacement:** All existing tenants will always be able to stay at Woodland Park, and can return to newly-constructed Replacement Apartments at their same Rent-Stabilized Rents. The Developer has the capacity to re-house affected tenants within the neighborhood and to enable these tenants to return to newly constructed, high-quality housing at their Rent-Stabilized Rents. This right of return and one-for-one replacement of rent-stabilized units protects existing tenants and maintains a viable Rent Stabilization Program.
2. **Ensure Community Driven Process:** The Developer has established a strong track record of engaging with the community and will continue to do so to refine the plans and proceed through the City's review process. Plans will be developed with significant input from tenants and the community at large.
3. **On-Going Community Participation:** The Developer will maintain and strengthen dialogue with the community through ongoing community dinners, special events, smaller gatherings, and partnerships with local community groups. This approach will ensure that the community is represented, consulted, and respected in the planning process.
4. **Provide Affordable Housing:** All rent-stabilized units will be replaced one-for-one in new construction and there will be no net loss of affordable housing or housing in general. The Developer is committed to ensuring replacement housing for current tenants at Rent-Stabilized Rents, and helping to maintain a viable Rent Stabilization Program in East Palo Alto.
5. **Maintain Diversity:** The Westside's greatest assets are its diversity and community. By ensuring tenants can stay in the neighborhood at their Rent-Stabilized Rents, the Developer can help preserve neighborhood diversity and community character. Additionally, to accommodate a diverse range of tenants, the proposal offers a range of unit types, including studios, one-bedroom, two-bedrooms, three-bedrooms, and four-bedrooms.
6. **Promote Home Ownership:** The Developer provides rental housing, rather than ownership housing, and will continue to do so in the future. They support home ownership, but do not foresee an ownership proposal as part of the Euclid Improvements.

7. **Improve Housing Quality:** The Developer works hard to improve housing quality through comprehensive maintenance of existing buildings. Some structures, however, are reaching the end of their useful lives. Maintenance activities can no longer effectively or efficiently improve the housing quality. All new buildings constructed will be safer, healthier buildings that meet or exceed modern seismic and other life safety standards. They intend to pursue Leadership in Energy and Environmental Design (LEED) certification, or equivalent, to create green buildings that are healthier for tenants and more energy efficient to reduce tenants' utility costs.

8. **Maintain Diversity of Housing Types and Unit Sizes:** Woodland Park is comprised of various unit types and sizes including studio, one, two, three, and four-bedroom units, with some in townhouse and flexible configurations. The Euclid Improvements will maintain a diversity of unit sizes by replacing existing unit types on a one-for-one basis, and providing a diversity of unit sizes in the new additional units.

9. **Connect the Westside to the City and Region:** The Developer is committed to improving mobility for tenants by increasing pedestrian, bicycle, and transit access, including to the SamTrans, Caltrain, and VTA systems. Additionally, the Highway 101 pedestrian and bicycle overcrossing anchors into the Woodland Park community. The Developer intends to make property-level improvements across the neighborhood to improve pedestrian and bicycle experiences and create a welcoming environment.

10. **Address Infrastructure Needs:** The proposal offers the opportunity to improve the streetscape and upgrade water, sewer, and other utilities systems. The Developer looks forward to future discussions with the City, utility providers, and community stakeholders regarding opportunities to address infrastructure deficiencies.

11. **Ensure New Development Pays its Fair Share:** The Developer agrees it's important to pay their fair share, and that's why they are ensuring tenant housing stability through the No Displacement commitment. This is the foundation of their commitment to the community. It involves significant expense and far exceeds any other private project in the region. They will discuss with the City and local stakeholders additional ways to ensure the proposal contributes positively to East Palo Alto, including substantially increased property taxes, new sales tax from the retail space, and a percentage of gross residential receipts from the Measure O taxes.

12. **Provide Diverse Parks, Community Facilities, and Shopping for All Residents:** the plans include an open, publicly accessible park on O'Connor Street between Euclid and Manhattan that will be accessible to all for recreation, relaxation, and social events. The proposal includes amenities like flexspace for neighborhood-serving retail that will offer shopping within walking distance for tenants and neighbors, and create a focal point for the community, adjacent to the new park. This will facilitate a high-quality pedestrian

environment.

13. **Improve Public Safety:** The Developer consistently looks for ways to improve public safety and security. The Developer already has improved exterior lighting as a part of the maintenance program. New construction offers the opportunity to integrate state-of-the-art public safety and lighting concepts into building design. New construction also allows seismic and life-safety upgrades not possible with simple renovation alone. Finally, new buildings with stoops and front doors facing the street combine with improved streetscapes to create a safer public realm and safer bicycle and pedestrian networks.

14. **Beautify the Westside:** The Developer is focused on enhancing the physical environment in the neighborhood. Their high-quality design will include beautiful new buildings, street trees, streetscape, parks, and landscaping that reflects careful attention to the public realm. The design will improve the quality and aesthetic appeal of the site with high quality architecture, materials, and pedestrian-oriented facades, while remaining rooted in the existing community character.

III. Updated Relocation Commitments and Plan

Understanding that No Displacement and relocation planning would be of central importance to the affected tenants and the community, Woodland Park began planning for relocation and housing stability very early. Woodland Park met with the affected tenants, the broader community, and local organizations to develop, discuss, and revise the original Relocation Commitments. These were finalized before the application was even submitted. The Developer anticipated that these original Relocation Commitments would form the “term sheet” for a more detailed Relocation Plan.

This Relocation Plan includes updated Relocation Commitments that build upon that original “term sheet.” Over the years, the Developer also made presentations to, answered questions from, and received feedback from tenants, the City of East Palo Alto’s Planning Commission, Rent Stabilization Board, and City Council on the commitments.

A. Defined Terms

Anti-Displacement Incentive. An incentive for households to stay at Woodland Park during construction and exercise their right to return to the new building. The incentive will be a \$1,000 voucher for housing-related goods from a local business. A household may choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent paid on a Replacement Apartment after the tenant has moved into a Right of Return Apartment.

Moving Assistance Payment. A payment made to a household that elects not to be moved by a mover that Woodland Park pays for and arranges. The Moving Assistance Payment will be provided in accordance with Municipal Code section 14.08.060(D). The payment will be either (a) the actual moving costs up to the amount of \$3,303.61 upon the provision of receipts or (b) a “fixed

fee” of \$1,982.16. These amounts reflect the 2021 amounts, as shown in the table in Attachment 3. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date.

Off-Site move. A move out of a Woodland Park apartment, arranged by tenant, other than a move to a Replacement Apartment or to a Right of Return Apartment.

Original Apartment. A tenant’s rental unit in the Euclid Improvement Area as of December 2018.

Qualified Tenant. A tenant who satisfies any of the following criteria:

"Low-Income Tenants" means persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937, or as otherwise defined in Health & Safety Code Section 50079.5. The city shall maintain and provide to owners and tenants information concerning current income levels which qualify tenants as "Low-Income" under this section.

"Disabled" means a person with a disability, as defined in Section 12955.3 of the California Government Code.

"Elderly" means a person who is sixty-two (62) years of age or older.

"Dependent" means a person less than eighteen (18) years of age residing with and dependent upon a parent or guardian, or any other legal dependent (as determined for federal income tax purposes).

"Terminally Ill" means a person who has a life-threatening disease from which the person will not recover, as certified to by the individual's treating physician.

Qualified Tenant Benefit. An additional component of a Relocation Payment for a tenant who is a Qualified Tenant. The benefit is \$3,303.61 for each additional payment category that applies to a tenant receiving a Relocation Payment. This amount reflects the 2021 amount, as shown in the table in Attachment 3. The actual amount will be adjusted by the Consumer Price Index for the year prior to the payment date.

Relocation Payment. A payment made to a household that selects Option C. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. These amounts reflect the 2021 amount, as shown in the table in

Attachment 3. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date. A tenant’s total Relocation Payment may also include one or more Qualified Tenant Benefits, as defined above.

Rent-Stabilized Rent. The maximum allowable rent for the existing tenants for the Original Apartment. This is the original rent for the Original Apartment plus all intervening Annual General Adjustments (AGAs) pursuant to the City’s Rent Stabilization Ordinance. The intention is for the tenant to continue to pay the same rent as they would have paid for the Original Apartment if nothing had happened.

Replacement Apartment. An existing, move-in condition Woodland Park apartment outside of the Euclid Improvement Area. Replacement Apartments have the same number of bedrooms and comparable square footage as a tenant’s Original Apartment. Comparable square footage means within +/-5% of the square footage of the Original Apartment. Replacement Apartments have the same number of parking spaces and the same housing services as a tenant’s lease specifies for the Original Apartment. If the Replacement Apartment is larger than the Original Apartment, square footage for the Right of Return Apartment will be based upon the square footage of the Original Apartment.

Right of Return Apartment. A newly-constructed apartment in the Euclid Improvement Area. Right of Return Apartments have the same number of bedrooms and comparable square footage as a tenant’s Original Apartment. Comparable square footage means within +/-5% of the existing square footage of the Original Apartment. Right of Return Apartments have the same number of parking spaces and the same housing services as a tenant’s lease specifies for the Original Apartment.

B. Original Relocation Commitments

Prior to submitting its development application, the Developer made certain Relocation Commitments to the Euclid Improvement Area tenants. These Relocation Commitments were developed over a 12-month process in collaboration with affected tenant and community stakeholders. It represented Woodland Park’s original relocation promises to affected tenants. Woodland Park circulated the Relocation Commitments in English and Spanish. A copy of this document has been provided under separate cover to affected tenants.

The following table summarizes what Woodland Park heard and what they changed or did in response to what they learned from the community through the community-informed process.

	What We Heard	What We Changed in Response
1.	Requests to “reflect back” what was heard and	This table reflects the comments received from the community and summarizes the changes made in the Relocation Commitments in response to that feedback.

	What We Heard	What We Changed in Response
	indicate what was changed in response.	
2.	Requests that the Relocation Commitments be in writing.	The Draft Relocation Commitments were circulated in writing and distributed by hand delivery and mail to affected residents, as well as in person at meetings, information booths, and community meetings. The final Relocation Commitments were distributed in writing.
3.	Requests that the Relocation Commitments be signed.	The Relocation Commitments are signed by Mike Kramer, the authorized signatory for Woodland Park.
4.	There were too many separate requirements.	Requirements were streamlined to be clearer and more straightforward.
5.	Concern that tenants have an opportunity to fix any problems with their tenancies so that they can exercise their right of return	Added the expectation that all affected tenants will be eligible for a right of return and re-articulated our goal of No Displacement. Added a commitment to collaborate with affected tenants and other community stakeholders toward achieving this goal of No Displacement. Added a commitment to give tenants an opportunity to fix any problems so that they can exercise their right of return.
6.	Some affected tenants want to move as soon as possible and other community stakeholders are concerned about the early move process	The Euclid Improvements will require approval from the City and we have added this information to the Relocation Commitments. We expect a robust public entitlement process and commit to working collaboratively with the community. We also understand certain affected tenants' desire to move sooner rather than later and will accommodate that desire. No one will be required to move into a Replacement Apartment before the City has approved the Euclid Improvements. Added information about the early move process being optional and at affected tenants' discretion. Extended the early move timing to create additional flexibility for affected tenants.
7.	Affected tenants may need more time to select a replacement or Right of Return Apartment.	Doubled the amount of time for affected tenants to select apartments.
8.	Confusion about the condition of the Replacement Apartments and Right of Return Apartments.	Clarified that the Replacement Apartments will be existing apartments in move-in condition and we clarified that Right of Return Apartments will be newly constructed apartments in brand-new condition.

	What We Heard	What We Changed in Response
9.	Questions about how long an individual move would take.	Specified that most moves will take no more than one day.
10.	Tenants may want contact information for legal resources.	We work collaboratively with the City of East Palo Alto's Rent Stabilization Program and community groups, including community groups that provide legal resources. We provide tenants with referrals to local resources.
11.	Delivery of notices needs to be careful and trackable to ensure that tenants receive information.	We commit to mail and deliver notices. We will conduct further research about other best practices that will ensure that affected tenants receive the relevant information.
12.	Requests that we discuss the relocation commitments with tenants outside of the affected area.	We discussed relocation commitments with Woodland Park tenants who live outside of the Euclid Improvement Area, as well as with community members, community groups, the Planning Commission, the Rent Stabilization Board, and the City Council.

C. Updated Relocation Commitments

Since submitting the original application in 2019, the Developer has solicited and received significant feedback on the Euclid Improvement Project, including the Relocation Plan. On November 30, 2021 and February 15, 2022, the City Council held Study Sessions focused on the Relocation Plan. The City of East Palo Alto has requested that this formal Plan update the relocation commitments to include certain additional commitments that will apply to mandatory relocation activities. Woodland Park has agreed to update the relocation commitments.

The following table summarizes what Woodland Park heard from the City Council and what they changed or did in response.

	What We Heard	What We Changed in Response
1.	Resubmit a complete relocation plan.	This document builds upon the initial Relocation Commitments and provides a more robust explanation and greater detail about the relocation process.
2.	Unit size. Clarify that units will be comparable in size both in terms of number of bedrooms and in square footage. Description of units should include details regarding parking and storage spaces in	The Updated Relocation Commitments specify that the units will be comparable in size both in terms of number of bedrooms and in square footage. Comparable square footage means within +/-5% of the existing square footage. They further explain that the Replacement Apartments and Right of Return apartments (assuming the project is approved as it has been proposed) will contain the same number of parking spaces and any other housing services (like storage) that are specified in the existing lease. If there are other housing services that are not specified in the lease, we commit to

	What We Heard	What We Changed in Response
	Right-of-Return Units and Relocation Units	make a good faith effort to provide the same housing services with the Replacement Apartment.
3.	Relocation Payment. Include the option of a Relocation Payment pursuant to Westside Area Plan Policy 5.11 and Municipal Code sections 14.02.140(B), 150(E), and 14.08.060.	<p>Added that tenants may choose to receive a Relocation Payment instead of a right to return and we have provided that this will occur in alignment with the applicable WSAP and Municipal Code requirements.</p> <p>Specifically, when tenants receive the “Tenant Choice and Replacement Apartment Notice,” the tenant will elect how to proceed. They can choose to either a.) remain at Woodland Park with right of return and decline Relocation Payments; or b.) relocate elsewhere with a right of return and decline Relocation Payments; or c.) relocate elsewhere, waive right of return, and receive Relocation Payments (as defined by the City of East Palo Alto Municipal Code).</p> <p>The Relocation Plan has been developed in response to the City’s General Plan and Municipal Code. These local policies provide clear and generous benefits to tenants.</p>
4.	Remove good standing requirement and continuous occupancy requirement.	Removed the good standing and continuous occupancy requirements. More particularly, we have added a choice for tenants whereby they may elect an Off-Site Move and reserve their right of return into the new building.
5.	Ellis Act Notice and Relocation Payment Compliance. Demonstrate how the plan will comply with the tenant notice and relocation payment requirements of Municipal Code 14.08.	<p>The Plan specifies how the notice and relocation payment requirements will be met. It includes draft form notices.</p> <p>In response to City comments, Woodland Park has provided an analysis of such compliance under separate cover.</p>
6.	Incorporate a comprehensive disclosure process	We agree that community engagement, disclosure, and transparency are very important, and we have pursued these goals throughout the relocation planning process. We are providing to the City copies of prior communications that have been sent to Euclid Improvement Area residents. We will continue that work by working from the sample notices attached to the Relocation Plan, which may be revised including to implement the Relocation Plan and reflect then-current information. The Autotemp staff who would implement the Relocation Plan are Spanish/English bilingual.
7.	Provide benefits for certain former tenants that may have left the area due to a possible fear of displacement.	We have not received information that households moved due to a fear of future displacement. We’ve provided many communications that were clear that “no displacement” is Woodland Park’s top priority, and we do not believe that households have moved from the Euclid Improvement Area due to a fear of future displacement.

	What We Heard	What We Changed in Response
		<p>However, to assuage the Council’s concerns and to further the project’s commitment to no displacement, Woodland Park agrees to offer a right of return to Euclid Improvement Area households who moved out of the Euclid Improvement Area between the date Woodland Park announced the Euclid Improvements (December 2018) and date Woodland Park sent the final, signed relocation commitments to all affected households (October 2019). There are 8 households in this situation. This protects against the possibility that a household that vacated due to incomplete information would be prevented from long-term residency in East Palo Alto.</p> <p>The rental rate for this right of return unit would be the rate such tenant previously paid during their most recent tenancy at Woodland Park, as modified by the AGAs authorized since the tenant moved out. This is the rent they would be paying if they remained in their prior tenancy.</p>
8.	<p>Concern about incentivizing households to leave East Palo Alto.</p>	<p>Woodland Park shares the City’s concern about incentivizing households to leave.</p> <p>Woodland Park’s original relocation commitments were designed to protect against displacement and encourage households to remain in the neighborhood so that displacement did not occur. Only in response to City Council feedback did Woodland Park offer the option of a Relocation Payment. Woodland Park shares a concern that offering a payment could incentivize a household to leave. Woodland Park does not want to incentivize displacement.</p> <p>Additionally, Woodland Park has offered to provide an incentive for households to stay. This would be a benefit for households who choose to stay in Woodland Park during construction and exercise their right to return to the new building, and it would be a voucher for housing-related goods, from a local business. This could have the effect of encouraging households to stay in the neighborhood, supporting a local business, and adding to the local tax base.</p> <p>The amount of this voucher is expected to be \$1,000 per household, to an East Palo Alto-based business, to help families purchase furniture and household goods for their new unit.</p> <p>We understand the City’s desire to strengthen the Anti-Displacement Incentive. Although the Rent Stabilization Ordinance constrains our ability to temporarily discount new rents, a similar incentive could be realized by partially refunding the last month of rent paid on a Replacement Apartment after a tenant has moved into a Right of Return Apartment. Therefore, we will provide the option for relocating households to receive any portion, or all, of the \$1,000</p>

	What We Heard	What We Changed in Response
		<p>incentive as a rent refund instead of a voucher for housing-related goods.</p> <p>This fixed-amount incentive is fairer to the relocating households than providing a percentage of monthly rent, since some households pay more rent than others and therefore some would arbitrarily receive a larger incentive.</p> <p>We believe the greatest incentive to stay will be the deep subsidy the current tenants will receive by keeping their same Rent-Stabilized Rents in the right of return unit. On average, based on the current and expected rents in the Fiscal Impact Analysis, a returning household would save over \$100,000 in rent over 5 years.</p>
9.	A desire to continue collaboration regarding rental assistance.	<p>Woodland Park will continue to work with tenants to facilitate access to state and federal programs. Woodland Park acknowledges that some of its tenants have not made rent payments during the COVID-19 pandemic. Woodland Park has been, and will continue to, work diligently with the state of California, local non-profits, and the Rent Stabilization Program to apply for all available rental assistance for its tenants. As of March 31, 2022, California’s emergency rental assistance program is no longer accepting new applications. It is unclear exactly which rental assistance programs may be in effect in the future.</p> <p>Woodland Park is also working closely with, and will continue to reach out to, its existing tenants to make sure that they are aware of all available local, state, and federal rental assistance programs. Woodland Park will continue providing technical assistance to tenants in their applications for rental assistance. Please note that this work is not directly related to the Euclid Improvements or to the Relocation Plan. It is part of Woodland Park’s ongoing management of the Woodland Park Apartments.</p>

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

City staff have also reviewed and commented on the Relocation Plan. Woodland Park submitted an updated Relocation Plan on January 7, 2022. City staff provided comments and Woodland Park responded to such comments in an updated Relocation Plan dated as of January 14, 2022. City staff provided several pages of additional detailed comments on January 31, 2022 and Woodland Park responded to those comments by letter on February 2, 2022. Woodland Park re-submitted a draft Relocation Plan on February 2, 2022. City staff provided comments and Woodland Park responded to such comments via letter on February 28, 2022. City staff later provided additional comments and Woodland Park responded to such comments via letter on May 4, 2022. This Relocation Plan includes significant changes in response to staff comments.

The Updated Relocation Commitments are as follows:

Euclid Improvements – UPDATED Relocation Commitments
Woodland Park’s Promises to You for Any Mandatory Relocation
 September 2022

Introduction

Woodland Park Communities worked with Improvement Area tenants since late 2018 to create written relocation commitments that come from our conversations with tenants, the City’s Westside Area Plan, and other local laws. With feedback from City Council in 2021 and 2022, these UPDATED Relocation Commitments are included in a detailed Relocation Plan that is going to City Council for approval along with the Euclid Improvements entitlements. These UPDATED Relocation Commitments are the foundation of the plan; they are our promises and guarantees to you during any mandatory relocation activities. They reinforce our commitment to **No Displacement**.

Eligibility

Woodland Park makes these relocation commitments to you, the tenants within the Euclid Improvement Area, who (a) participated in a tenant-requested move and remain a tenant as of the date of the Euclid Improvement Area entitlements or (b) were tenants as of December 2018 and who occupy unit in the Euclid Improvement area as of the date of the Euclid Improvement Area entitlements. All the commitments apply on a “per apartment” basis.

General Commitments

1.) **Tenant choice:** Your household will have the choice to either a.) remain at Woodland Park with right of return and decline Relocation Payments; or b.) relocate elsewhere with a right of return and decline Relocation Payments; or c.) relocate elsewhere, waive right of return, and receive Relocation Payments (as defined by the City of East Palo Alto Municipal Code). This choice is to be made within 30 days after we deliver the “Tenant Choice and Replacement Apartment Notice”.

Choice	Replacement Apartment?	Right of Return?	Relocation Payment	Ability to Change Selection
A	Yes	Yes	No	Can change to Option B at any time. Can change to Option C prior to move into Replacement Apartment
B	No	Yes	No	Can change to Option A or Option C prior to Off-Site Move
C	No	No	Yes	Can change to Option A or Option B prior to receiving any portion of Relocation Payment.

2.) **Rent level:** If you choose a Replacement Apartment or a Right of Return Apartment, you will pay the same Rent-Stabilized Rent you otherwise would if nothing happened – there will be no rent increases (except for Annual General Adjustments). Each tenant will get an apartment with the same number of bedrooms and comparable square feet. Comparable square footage means within +/-5% of the existing square footage. Each tenant’s original security deposit amount will remain the same and be transferred to the new apartment. Everyone currently pays for utilities and will continue to pay for utilities. In the event a tenant’s utility bill increased substantially due to a change in utility metering, Woodland Park would work with the tenant to reduce the tenant’s overall monthly costs to a similar level they would have been if nothing happened.

- 3.) Moving: You will have the choice between three moving benefits.
- Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.
 - Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).
 - Choice 3: You move yourself. Woodland Park will provide a Moving Assistance Payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

We will provide dumpsters in which to discard any furniture or other belongings that you no longer need. You will need to transfer any utilities that are in your name and change your address as necessary.

- 4.) Communications: We will continue to hold meetings and invite affected tenants. We will continue to communicate information by hand-delivering notifications to each apartment. If possible, we may also communicate with tenants via mail, text message, phone and/or email. You will need to provide us with up-to-date contact information if you wish to receive text messages, phone messages, or emails.
- 5.) Collaboration: We will continue to work with affected tenants and community stakeholders to make the relocation process as smooth and convenient as possible, and to achieve our goal of no displacement. We are seeking input and approval from City Council about this Relocation Plan.

Replacement Apartment Commitments. These commitments apply when you are moving out of the apartment in the Euclid Improvement Area to an existing, move-in condition Woodland Park Replacement Apartment.

- 6.) Timing. You have the choice of a tenant-requested move or a move after project approval.
- Tenant-requested moves. Tenant-requested moves are ongoing and optional and are open to any affected tenant who is interested in moving soon.
 - Moves after project approval. Moves after project approval will occur in phases after the City of East Palo Alto approves the Euclid Improvements, which is anticipated to occur in 2022.

You will decide if you prefer a tenant-requested move or a move after project approval – there is no limit or requirement for a specific number of tenant-requested moves or moves after project approval that we want to achieve or can accommodate.

- 7.) Replacement apartments: You will receive a Replacement Apartment with the same number of bedrooms and comparable square footage. Comparable square footage means within +/-5% of the existing square footage. (In the unlikely event that no like-sized or larger Replacement Apartment within Woodland Park is made available to you, we will assist you in finding a comparable unit elsewhere in East Palo Alto until the Right of Return Apartment is available.) The Replacement Apartments will be in move-in condition. Replacement Apartments will be offered on a first-come, first-served basis throughout the Woodland Park neighborhood. Although we can guarantee an apartment with the same number of bedrooms and comparable square footage, we cannot guarantee the availability of any particular apartment or location. You will have the same number of parking spaces and the same housing services associated with the Replacement Apartment as you currently have

under your existing lease. If any other housing services are not specified in your lease, we will make a good faith effort to provide the same housing services with the Replacement Apartment. In the unlikely event that there is no available Replacement Apartment with the same number of bedrooms and comparable square footage or larger, within the Woodland Park apartments, Woodland Park would assist you to find an off-site apartment elsewhere in East Palo Alto with the same number of bedrooms and comparable square footage and would pay any difference in rent between your Rent-Stabilized Rent and the off-site apartment rent, until a Right of Return Apartment is available for you.

8.) Replacement Apartment selection steps:

- a. Step 1: Notice. The Management Office delivers a “Tenant Choice and Replacement Apartment Notice” including a preference letter that you will complete and map of the Woodland Park neighborhood.
- b. Step 2: Submission and Processing. You submit the completed preference letter to the Management Office, signed by all tenants on the lease, following the instructions on the Notice. Once completed, the Management Office provides you with a time and date stamped copy of the submitted letter. Preference letters are processed in the order in which they are received.
- c. Step 3: Touring. You and Management schedule a tour date on a mutually agreeable date, which may include a weekend day. On the tour date, you will be offered two Replacement Apartment options. Management will attempt to provide two replacement options in the area of your choice, if available.
- d. Step 4: Selection. You have one week after the tour to select the Replacement Apartment by signing a new lease. If you do not select an apartment by signing a lease, you will be automatically assigned to a Replacement Apartment at Management’s discretion. The lease will have the same key lease terms, including the same number of bedrooms, same Rent-Stabilized Rent, same security deposit, same number of parking spaces, and same housing services.
- e. Step 5: Moving. You and Management schedule the move date into the Replacement Apartment. You are prepared for and move on the scheduled date with the moving benefits you have chosen. If you have chosen a moving benefit payment, you will receive that payment after the completed move and submission of receipts, if required. Most moves will take no more than one day.

Right of Return Commitments. These commitments apply when you are exercising your right of return to the Euclid Improvement Area. You are not required to exercise your right of return; you can permanently stay in your Replacement Apartment.

9.) Right of return requirements: There are three categories of tenants who have a right of return into the Euclid Improvement Area after the Euclid Improvements are constructed: (i) Tenants who chose Option A and moved into a Replacement Apartment; (ii) Tenants who chose Option B with an Off-Site Move, but who declined a Relocation Payment; and (iii) Tenants who moved out of the Euclid Improvement Area between December 2018 and October 2019. Tenants who chose Option C to receive a Relocation Payment do not have a right of return. We anticipate that the Euclid Improvements will be complete in 2024. In order to exercise the right of return, you must:

- a. Communication. Complete the letter of interest and submit it to the Management Office, following the instructions in the letter. You must select one of the Right of Return Apartments that is offered to you by signing a new lease.
- b. Moving. Move on the scheduled move day.

We commit to work with tenants who have not met one or more of these requirements and to give such tenants an opportunity to fix the problem(s) so they can meet the requirements and exercise their right of return.

10.) Right of Return Apartments: Each tenant with a right of return will be offered a newly-constructed apartment with the same number of bedrooms and comparable square footage. Comparable square footage means within +/-5% of the existing square footage. The new apartments will be in brand-new condition and they will be offered on a first-come, first-served basis within the Euclid Improvement Area. Although we can guarantee an apartment with the same number of bedrooms and comparable square footage, we cannot guarantee the availability of any particular apartment or location. You will have the same number of parking spaces and the same housing services associated with the Right of Return Apartment as you currently have under your existing lease. If any other housing services are not specified in your lease, we will make a good faith effort to provide the same housing services with the Right of Return Apartment.

11.) Right of Return Apartment choice steps:

- a. Step 1: Notice. The Management Office delivers a “Right of Return Notice,” which includes a form letter of interest.
- b. Step 2: Submission and Processing. You submit a completed letter of interest to the Management Office, signed by all tenants on the lease. Once completed, the Management Office provides you with a time and date stamped copy of the submitted letter. Letters of interest are processed in the order in which they are received. The deadline will be listed in the Right of Return Notice. We expect that the deadline will be about 30 days after the estimated date on which the City of East Palo Alto determines that the new buildings are finished.
- c. Step 3: Touring. You and Management schedule a tour date on a mutually agreeable date, which may include a weekend day. On the tour date, you are offered two Right of Return Apartment options.
- d. Step 4: Selection. You have one week after the tour to select the Right of Return Apartment. You select the Right of Return Apartment by signing a new lease. The lease will have the same key lease terms, including the same number of bedrooms, same Rent-Stabilized Rent, same security deposit, same number of parking spaces, and same housing services. You and Management schedule the move date into the Right of Return Apartment.
- e. Step 5: Moving. You are prepared for and move on the scheduled date with the moving benefits you have chosen. If you have chosen a moving benefit payment, you will receive that payment after the move and after submitting receipts, if required. Most moves will take no more than one day.
- f. Step 6: Anti-displacement Incentive. You receive a \$1,000 Anti-Displacement Incentive after completing your move into the Right of Return Apartment.

Relocation Payment Commitments. These commitments apply when you decline a Replacement Apartment and decline a right of return but instead choose a Relocation Payment. You are not required to seek a Relocation Payment. Instead, you may stay in a Woodland Park apartment.

12.) Timing. You have the choice to select a Relocation Payment and move out of the Woodland Park apartments when you receive the “Tenant Choice and Replacement Apartment Notice.”

13.) Relocation Payment Requirements: Tenants who choose to receive a Relocation Payment must move out of their Woodland Park and they do not have a right of return.

14.) Relocation Payments: Woodland Park will calculate Relocation Payments in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The calculation will be made based on information in the Tenant’s lease and other relevant and accurate information, including information submitted by the Tenant. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements. In the case of a dispute, Woodland Park would place the disputed amount in an escrow account with the City until the dispute is resolved. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant’s total Relocation Payment may also include one or more Qualified Tenant Benefits. The benefit is \$3,303.61 for each additional payment category that applies to a tenant receiving a Relocation Payment. A Qualified Tenant is a tenant who is Low-Income, Disabled, Elderly, Dependent, or Terminally Ill. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date.

15.) Relocation Payment choice steps:

- a. Step 1: Notice. The Management Office delivers a “Tenant Choice and Replacement Apartment Notice,” which includes a worksheet requesting Tenant information, including the date you plan to vacate your apartment.
- b. Step 2: Submission and Processing. You submit the completed worksheet to the Management Office, signed by all tenants on the lease. Once completed, the Management Office provides you with a time and date stamped copy of the submitted worksheet. Worksheets are processed in the order in which they are received. The deadline will be listed in the Tenant Choice and Replacement Apartment Notice.
- c. Step 3: Notice of Relocation Payment Amount. Management notifies you of the Relocation Payment amount and you receive 50% of the Relocation Payment 30 days prior to the move.
- d. Step 4: Moving. You move out of the Woodland Park apartment on the scheduled date with the moving benefits you have chosen. If you have chosen a moving benefit payment, you will receive that payment after the move and after submitting receipts, if required.
- e. Step 5: Payment. When you return the keys, Woodland Park provides you with the date that the remaining 50% of the Relocation Payment will be provided.

D. Commitment to Collaboration

The Developer is committed to continuing its policy and practice of robust collaboration with the community during the implementation of the Relocation Plan.

In addition to the numerous meetings that have been held with households and stakeholders, the Developer will ensure the following:

1. Additional resident meetings will be held to promote education and understanding of the relocation program and further refining the Relocation Plan. This will include multiple community meetings to be held both on weekdays and weekends, followed by a staffed information booth on multiple weekend days. This will be followed by additional meetings to be held with each phase grouping, which will also include weekday and weekend meetings and the informational booth.

2. This Plan will be available for households to review in the property management office and online. Additional copies will be available in the property management office. The original Relocation Commitments have been provided to all households in English and Spanish. The Updated Relocation Commitments will be provided to all households in English and Spanish.

3. Full and timely access to documents relevant to the relocation program. Copies of notices and forms will be available in the Property Management offices and with Autotemp.

4. Provision of technical assistance necessary to interpret elements of the relocation program and other pertinent materials;

5. Maintaining a feedback program, allowing households to provide on-going feedback of the relocation program. The households that participated in the OTRM early move program have been asked to complete a survey to track participant satisfaction and improve customer service. The survey includes 5 categories: “Unit Selection,” “Moving Company,” “Staff Helpfulness,” “Quality of New Unit,” and “Euclid Improvements Communications” with a goal of achieving satisfactory ratings in all categories. Achieving this goal is important to ensure a positive experience for the Euclid Improvements Area tenants. The results were and continue to be used to improve the relocation process.

6. All communications to residents will be translated into Spanish and will be provided to residents in English and Spanish. Woodland Park regularly works on important issues with households whose members cannot speak English. Woodland Park will seek appropriate translation assistance as necessary in communicating with households whose members cannot speak English, including households whose members speak Tongan or Samoan.

7. All communications will provide contact information for affected tenants to use if they have questions.

8. Woodland Park will continue to work closely with existing tenants to make sure that they are aware of all available local, state, and federal rental assistance program. Woodland Park will continue providing technical assistance to tenants in their applications for rental assistance. Woodland Park will continue to work diligently with the state of California, local non-profits, and the Rent Stabilization Program to apply for all available rental assistance for its tenants.

E. RELOCATION ASSISTANCE PROGRAM

Bilingual Autotemp staff is available to assist the households with questions regarding relocation and/or assistance in relocating. Relocation staff can be contacted **Toll- free** at **888.202.9195** from 8:30 a.m. to 6:00 p.m., Monday through Friday and is also available on-site by appointment. Property Management staff can be reached at 650.566.2000. The Property Management offices are located at 5 Newell Court and 2043 Euclid Avenue.

A comprehensive relocation assistance program, with technical and advisory assistance, will be provided to the households being relocated. Close contact will be maintained with each household. The original relocation commitments and implementation process was distributed to the affected tenants in both English and Spanish for those that took advantage of the early move program. The updated Relocation Commitments will be distributed again upon this Plan's approval, following additional resident and stakeholder meetings along with any revisions.

Sample letters to be provided to the households can be found as attachments in this Plan. These form communications may be revised, as necessary and reflect then-current information. The draft forms indicate that they would be served on each household by BOTH hand delivery AND registered mail. When each affected household is provided with the Tenant Choice and Replacement Apartment Notice during the phased Tenant Choice process, the notice is accompanied by easy to complete forms and clear directions about how to return the forms to the management office. Autotemp's experience is that households prefer hand-delivery of important documents.

F. REPLACEMENT HOUSING RESOURCES

For the purposes of this Plan, the Developer has made the commitment to maintain sufficient vacancies to accommodate the tenancies that remain in the Euclid Improvement Area.

G. PHASING

The Notice of Relocation Plan Approval would be sent concurrently to all affected households

on each of the affected properties, after the Relocation Plan has been approved as part of the Euclid Improvement entitlements.

To provide the households an orderly transition to replacement housing while minimizing stress and recognizing the health and safety concerns that may arise during implementation of this Plan, implementation phasing will occur per the follow sequence.

Phase One: 2012, 2021, 2025, 2031, 2032 2040, 2042, 2044, 2054 Euclid, OTRM participants

Phase Two: 501 O'Connor and 2033 Manhattan

Phase Three: 2001 Manhattan

Although discouraged, households will be able to request a change in their phase, as long as the desired phase has no more than 25 households in that phase and there is no health and safety concern. The request must be received no later than the deadline to respond to the Tenant Choice and Replacement Housing Notice.

H. PROGRAM ASSURANCES AND STANDARDS

All re-housing services will be provided to ensure that displacement does not result in different, or separate treatment of households based on race, nationality, color, religion, national origin, sex, marital status, familial status, disability or any other basis protected by the federal Fair Housing Amendments Act, the Americans with Disabilities Act, Title VI of the Civil Rights Act of 1964, Title VII of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the California Fair Employment & Housing Act, and the Unruh Act, as well as any otherwise arbitrary, or unlawful discrimination.

I. REMEDIES

Affected tenants may ask for review when there is a complaint regarding any of their rights to relocation and relocation assistance, such as a determination as to eligibility or the failure to provide a comparable replacement housing referral. At any time, every household may contact the City of East Palo Alto for the purpose of asking questions or reviewing their rights under applicable City ordinances. The contact information for Property Management, Autotemp, and the Rent Stabilization Program are as follows:

Property Management:

Woodland Park Apartments

5 Newell Court, East Palo Alto

650-566-2000

nodisplacement@wlpcommunities.com

Autotemp:

888-202-9195 and on-site by appointment
info@autotempservices.com

East Palo Alto Rent Stabilization Program:
 2415 University Avenue, 2nd Floor
 East Palo Alto, CA 94303
 650-853-3157
 650-853-3114
rentprogram@cityofepa.org

The Developer will provide all households the choice of:

- a.) Remain at Woodland Park with right of return and decline Relocation Payments;
- b.) Relocate elsewhere with a right of return and decline Relocation Payments; or
- c.) Relocate elsewhere, waive right of return, and receive Relocation Payments.

In the unlikely event that a tenant is non-responsive, refuses to make a choice, or otherwise refuses to participate in the relocation activities as specified within this Plan, the tenancy would terminate at the conclusion of the notice period. Relocation records must be documented to reflect the specific circumstances surrounding the tenancy and failure to respond, choose, or relocate. After complying with the requirements herein, the Developer would have “just cause for eviction” pursuant to the City of East Palo Alto Municipal Code Section 14.04.160. The Developer would put into an escrow account with the City an estimated Relocation Payment for any non-responsive household. The estimated Relocation Payment, minus any expenses accrued due to an unlawful detainer action, would be released to the affected tenant after the conclusion of the unlawful detainer proceedings and return of possession of the unit to the owner. Affected tenants who abandon a unit or who are evicted for just cause other than pursuant to Municipal Code section 14.04.160 (A)(8) or (9) shall have no rights under this Relocation Plan.

J. PROJECTED DATES OF IMPLEMENTATION

This Plan will go into effect after its approval by the City of East Palo Alto. The Optional Tenant Requested Move program will be available up until the Phase One Tenant Choice and Replacement Apartment Notices are delivered. The actual date of implementation and mandatory moves will be at the Developer’s discretion, but no less than 1 year before the start of construction to ensure that there is at least 1 year of notice. This ensures that every household has an adequate and defined 1-year notice period prior to any termination of tenancy.

Affected tenants have received notice of the Euclid Improvement application and will continue to receive updates regarding the application and this Relocation Plan. Affected tenants will receive at a minimum one month to make their tenant choice. They will also receive a

minimum of one year notice prior to any termination of tenancy. A household may elect to move sooner, including while the Optional Tenant Requested Move program is available.

The following table provides an example of how the relocation process may occur. The exact timing of each step remains subject to change; this is provided for illustration purposes only.

Sample Implementation Schedule

Month(s)	Activity
1	Notice of Relocation Plan Approval to all affected tenants after approval
2 (or later at applicant discretion)	Phase 1 Tenant Choice Notices (one month for each household to choose) <ul style="list-style-type: none"> • Conduct education and outreach
3	Process Phase 1 Tenant Choice Notices <ul style="list-style-type: none"> • Schedule and complete tours of Replacement Apartments • Send letters regarding apartment selection • Provide leases for Replacement Apartments (one week for tenants to choose Replacement Apartment and review and sign lease) • Calculate Relocation Payments (if any) • Arrange for moves
4	Complete Phase 1 moves (Replacement Apartments, off site moves, Relocation Payments) <ul style="list-style-type: none"> • Pay moving benefits (if any)
5-7	Phase 2 (repeat activities from Phase 1)
8-10	Phase 3 (repeat activities from Phases 1 and 2)
11-12	Complete any unfinished work
13	Notice of Termination of Tenancy has expired
	Construction begins

TABLE OF ATTACHMENTS

Attachment 1: Sample Draft Communications with Affected Tenants

- Notice of Relocation Plan Approval
- Notice of Termination of Tenancy
- Tenant Choice and Replacement Apartment Notice
- Reminder Notice: Tenant Choice
- Letter to Tenant Regarding Replacement Apartment Selection
- Final Letter to Tenant Assigning Replacement Apartment
- Replacement Apartment Lease Addendum
- Letter to Rent Stabilization Program Regarding Change in Tenancy (Replacement Apartment)
- Letter Regarding Relocation Payment
- Letter to Rent Stabilization Program Regarding Final Relocation Payment
- Notice of Right of Return
- Right of Return Choice Form
- Reminder Notice: Right of Return Choice
- Right of Return Lease Addendum
- Letter to Rent Stabilization Program Regarding Change in Tenancy (Right of Return)
- Notice of Anti-Displacement Incentive

Attachment 2: Example Flowchart

Attachment 3: City-Calculated CPI Annual Adjustments to Relocation Benefit Amounts

Attachment 1: Sample Draft Communications with Affected Tenants

Attachment 1: Sample Draft Communications with Affected Tenants

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
 5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

By Hand Delivery and Registered Mail

RE: Euclid Improvement Area
 Notice of Approval of Relocation Plan

Dear Improvement Area Tenants,

As you may know from our ongoing community engagement, we are planning the “Euclid Improvements” for the area in where you live. With no displacement, we are proposing to replace the aging, outdated structures with new mixed-income buildings to replace all of the rent-stabilized units with new rent-stabilized units, increase the housing supply, and provide better parking and mobility options. Our plans reflect community-centered benefits inspired by our residents’ input, including a new neighborhood park, new bus stop, community space, and neighborhood-serving retail.

The City of East Palo Alto approved the project on [_____]. Over the course of the next year, the project will be preparing for construction.

As part of the City’s approval of the project, the City Council approved the Relocation Plan. This incorporates our Updated Relocation Commitments. These are our written promises to you to ensure that all existing tenants in the Euclid Improvements area and tenants who participated in the Optional Tenant Requested Move (“OTRM”) program can always stay at Woodland Park. We co-created these commitments through our conversations with you, feedback from the community and its leaders, and guidance from the City’s Westside Area Plan and other local laws. The plan is now finalized. It is available for you to review at [Insert web address] and available in the property management offices.

Under the Relocation Plan, you will have two important choices to make: a housing choice and a moving benefit choice.

Each household will need to select one of the following three housing choices after they receive their Tenant Choice and Replacement Apartment Notice. You can make the housing choice that works best for your household. If you participated in the OTRM, we promised you would have the same rights as tenants who did not. You have already selected choice A, but you will be able to change your mind and select choice B or C.

Option A: Remain at Woodland Park With Right of Return. We will move you, at no cost to you, to a Replacement Apartment in the same neighborhood at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened. (In the unlikely event that no like-sized or larger Replacement Apartment within Woodland Park is made available to you, we will assist you in finding a comparable unit in East Palo Alto until the Right of Return Apartment is available.) You will have a right of return into a brand-new right of return unit, at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below.

If you return to a Right of Return Apartment, you will receive an Anti-Displacement Incentive. This is an incentive for households to stay at Woodland Park during construction and exercise their right to return to the new building. The incentive will be a \$1,000 voucher for housing-related goods from a local business. A household may choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent paid on a Replacement Apartment after the tenant has moved into a Right of Return Apartment.

Option B: Leave Woodland Park With Right of Return. You may choose to leave Woodland Park and move into different housing that you find for yourself. You will have a right of return into a brand-new right of return unit, and at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below.

Option C: Leave Woodland Park, Waive Right of Return, Receive Relocation Payment. You may choose to leave Woodland Park, give up your right of return into a brand-new right of return unit in the Euclid Improvements and instead receive a Relocation Payment. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant's total Relocation Payment may also include one or more Qualified Tenant Benefits. A tenant who is Low Income, Disabled, Elderly, Dependent, or Terminally Ill would receive a Qualified Tenant Benefit of \$3,303.61 for each additional payment category that applies to the tenant receiving the Relocation Payment. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date. This includes a moving benefit described below.

This notice is being provided as early as possible, but you do not need to make a decision until you receive your Tenant Choice and Replacement Apartment Notice. After that, if you do not make a choice,

your tenancy would ultimately be terminated. This packet provides you with at least one year of notice prior to any such termination.

You will also have a choice between three moving benefits:

Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

Choice 3: You move yourself. Woodland Park will provide a Moving Assistance Payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

This letter notifies you that the Relocation Plan has been approved, explains how it will work, and includes the following documents:

- Updated Relocation Commitments
- Notice of Termination of Tenancy
- FAQs
- Euclid Improvements Information Handout
- Invitations for upcoming Information & Input Booth on [XXX] and Tenant Meeting on [XXX]

If you have any questions, please contact [XXX].

Sincerely,

Mike Kramer
Woodland Park Communities

NOTICE OF TERMINATION OF TENANCY

TO: _____, and to all tenants in possession:

YOU WILL PLEASE TAKE NOTICE that your tenancy of the below-described premises is terminated effective one year following the date of service of this notice upon you or on _____ [insert date], (whichever date is later). You are required to vacate and surrender possession of said premises at the expiration of this termination notice.

SAID PREMISES are described as follows:

The premises herein are subject to the East Palo Alto Rent Stabilization and Just Cause for Eviction Ordinance (herein referred to as "EPA RSO"). The notice herein has been given in accordance with Section 16(A)(8) of the EPA RSO [also referred to as East Palo Alto Municipal Code Section 14.04.160(A)(8)]. The Owner/Landlord of said premises, _____, seeks to recover possession to remove the rental unit permanently from rental housing use through demolition as set forth under Section 16(A)(8) of the EPA RSO.

Section 16(A)(8) of the EPA RSO provides grounds for recovery of possession as follows (in pertinent part):

"The landlord, after having obtained all necessary permits from the city, seeks in good faith to recover possession of the rental unit to remove the rental unit permanently from rental housing use through demolition."

The Landlord seeks to recover possession of the premises as set forth in Section 16(A)(8) in good faith, without ulterior reasons and with honest intent.

YOUR FAILURE to comply with this Notice will result in the immediate institution of legal proceedings against you to recover possession of the premises, together with damages, attorney's fees (if applicable) and court costs.

YOU HAVE THE LEGAL RIGHT to request an initial inspection of your unit and be present during the inspection. The purpose of this inspection is to allow you the opportunity to correct any deficiencies in the premises in order to avoid deductions from the security deposit. Please contact a representative of the landlord to request an initial inspection at the following location:

[Insert staff member/contact if applicable]
Woodland Park Apartments
5 Newell Court

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

NOTICE OF TERMINATION OF TENANCY

Page 2

East Palo Alto, CA 94303
650-566-2000

State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that property belonging to you was left behind after you moved out.

ADVICE REGARDING THIS NOTICE MAY BE FOUND BY CONTACTING THE EAST PALO ALTO RENT STABILIZATION PROGRAM AT 2415 University Avenue, East Palo Alto, CA, 94303 (650) 853-3114.

YOU MAY DEFEND ANY EVICTION based upon this notice in court. The notice of occupancy rights under the Violence Against Women Act, the Certification form and attachments are attached hereto and served herewith.

YOU MAY DISCUSS THIS NOTICE and the proposed termination with the landlord within ten (10) days of the date of service of this notice upon you. You have the right to request reasonable accommodations of any disability to participate in the discussion.

This notice supersedes all previous termination notices served on you.

Date: _____ By: _____
Signatory

RIGHT OF TENANTS TO SEEK ADVICE

Information regarding evictions is available from East Palo Alto's Rent Stabilization Program. The Program is located at: 2415 University Ave., East Palo Alto, CA. PHONE: 650-853-3114

Website: <http://www.cityofepa.org/rentprogram>

Tenants seeking advice about their rights and evictions should consult with an attorney. Some attorneys' offices in the City provide free legal services to tenants who cannot afford attorney's fees.

Derecho de los inquilinos a Buscar Consejo

Informacion sobre los desalojos esta disponible en la oficina del Programa de Estabilizacion de Renta, Ciudad de East Palo Alto. El Programa esta ubicado en: 2415 University Ave., East Palo Alto, CA. TELEFONO: 650-853-3114

NOTICE OF TERMINATION OF TENANCY**Page 3**

Sitio web: <http://www.cityofepa.org/rentprogram>

Los inquilinos que buscan consejo sobre sus derechos y desalojos deben consultar con un abogado. Algunas oficinas de abogados en la Ciudad proveen servicios legales gratuitos a inquilinos que no pueden pagar honorarios de abogados.

DRAFT

NOTICE OF TERMINATION OF TENANCY

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Notice of Occupancy Rights Under the Violence Against Women Act

To all Residents and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking.¹ VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation. The U.S. Department of Housing and Urban Development (HUD) is the Federal agency that oversees owners and participants in HUD programs to ensure they are in compliance with VAWA. This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.

Protections for Applicants

If you otherwise qualify for assistance with respect to **Woodland Park Communities**, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Protections for Residents

If you are receiving assistance under HUD-assisted or HUD-insured programs, or other applicable programs, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied rental assistance or occupancy rights under HUD-assisted or HUD-insured programs, or other applicable programs, solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. Housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Removing the Abuser or Perpetrator from the Household

Landlord may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If Landlord chooses to remove the abuser or perpetrator, Landlord may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, Landlord must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the program or under another housing program covered by VAWA, or, find alternative housing.

In removing the abuser or perpetrator from the household, Landlord must follow Federal, State, and local eviction procedures. In order to divide a lease, Landlord may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

¹ Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

NOTICE OF TERMINATION OF TENANCY

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Upon your request, Landlord may permit you to move to another unit, subject to the availability of other units, and still keep your assistance. In order to approve a request, Landlord may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the housing provider may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

- 1) **You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation, as described in the documentation section below.
- 2) **You expressly request the emergency transfer.** Your housing provider may choose to require that you submit a form, or may accept another written or oral request.
- 3) **You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future. **OR**
- 4) **You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer.** If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

Landlord will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

Landlord's emergency transfer plan provides further information on emergency transfers, and Landlord must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

Landlord can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from Landlord must be in writing, and Landlord must give you at least **14** business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. Landlord may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to Landlord as documentation. It is your choice which of the following to submit if Landlord asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by Landlord with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.

NOTICE OF TERMINATION OF TENANCY

Page 6

- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, "professional") from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that Landlord has agreed to accept.

If you fail or refuse to provide one of these documents within the **14** business days, Landlord does not have to provide you with the protections contained in this notice.

If Landlord receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), Landlord has the right to request that you provide third-party documentation within thirty (30) calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, Landlord does not have to provide you with the protections contained in this notice.

Confidentiality

Landlord must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

Landlord must not allow any individual administering assistance or other services on behalf of Landlord (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

Landlord must not enter your information into any shared database or disclose your information to any other entity or individual. Landlord, however, may disclose the information provided if:

- You give written permission to Landlord to release the information on a time limited basis.
- Landlord needs to use the information in an eviction or termination proceeding, such as to evict your abuser or perpetrator or terminate your abuser or perpetrator from assistance under this program.
- A law requires Landlord or your landlord to release the information.

VAWA does not limit Landlord's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights Under VAWA May Be Evicted or Assistance May Be Terminated

You can be evicted and your assistance can be terminated for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, Landlord cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or

NOTICE OF TERMINATION OF TENANCY

Page 7

stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted and your assistance terminated, if Landlord can demonstrate that not evicting you or terminating your assistance would present a real physical danger that:

- 1) Would occur within an immediate time frame, and
- 2) Could result in death or serious bodily harm to other tenants or those who work on the property.

If Landlord can demonstrate the above, Landlord should only terminate your assistance or evict you if there are no other actions that could be taken to reduce or eliminate the threat.

Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with the Requirements of this Notice

You may report a covered housing provider's violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with the **San Mateo County Housing Authority**.

For Additional Information

You may view a copy of HUD's final VAWA rule at <https://www.federalregister.gov/documents/2016/11/16/2016-25888/violence-against-women-reauthorization-act-of-2013-implementation-in-hud-housing-programs>. Additionally, Landlord must make a copy of HUD's VAWA regulations available to you if you ask to see them. For questions regarding VAWA, please contact

(1) San Mateo County Housing Authority, 264 Harbor Boulevard, Building A, Belmont, California 94002, (650) 802-5050, (650) 802-3300.

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact:

(1) CORA, Community Overcoming Relationship Abuse, 2211 Palm Avenue, San Mateo, California 94403, (800) 30-1080.

(2) Domestic Violence Redwood City Hotline, (650) 599-7330

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact

(1) Rape Trauma Services, (650) 692-7273

Victims of stalking seeking help may contact

(1) Stalking Resource Center, 2000 M. Street, NW, Suite 480, Washington D.C., 20036, (202)-467-8700.

(2) San Mateo District Attorney's Office (650) 363-4636.

CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0249
Exp. (07/31/2017)

Purpose of Form: The Violence Against Women Reauthorization Act of 2013 (“VAWA”) protects qualified tenants, participants, and applicants, and affiliated individuals, who are victims of domestic violence, dating violence, sexual assault, or stalking from being denied housing assistance, evicted, or terminated from housing assistance based on acts of such violence against them.

Use of Form: This is an optional form. A PHA, owner or manager presented with a claim for continued or initial tenancy or assistance based on status as a victim of domestic violence, dating violence, sexual assault, or stalking (herein referred to as “Victim”) has the option to request that the victim document or provide written evidence to demonstrate that the violence occurred. The Victim has the option of either submitting this form or submitting third-party documentation, such as:

- (1) A record of a Federal, State, tribal, territorial, or local law enforcement agency (e.g. police), court, or administrative agency; or
- (2) Documentation signed by the Victim and signed by an employee, agent or volunteer of a victim service provider, an attorney, a medical professional, or a mental health professional from whom the Victim has sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, in which the professional attests under penalty of perjury (28 U.S.C. 1746) that he or she believes that the incident of domestic violence, dating violence, sexual assault, or stalking is grounds for protection under 24 Code of Federal Regulations (CFR) § 5.2005 or 24 CFR § 5.2009.

If this form is used by the Victim, the Victim must complete and submit it within 14 business days of receiving it from the PHA, owner or manager. This form must be returned to the person and address specified in the written request for the certification. If the Victim does not complete and return this form (or provide third-party verification) by the 14th business day or by an extension of the date provided by the PHA, manager or owner, the Victim cannot be assured s/he will receive VAWA protections.

If the Victim submits this form or third-party documentation as listed above, the PHA, owner or manager cannot require any additional evidence from the Victim.

Confidentiality: All information provided to a PHA, owner or manager concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking relating to the Victim (including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking) shall be kept confidential by the PHA, owner or manager, and such information shall not be entered into any shared database. Employees of the PHA, owner, or manager are not to have access to these details unless to afford or reject VAWA protections to the Victim; and may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) requested or consented to by the Victim in writing; (ii) required for use in an eviction proceeding; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY THE VICTIM OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING:

Date Written Request Received by Victim: _____

Name of Victim: _____

Names of Other Family Members Listed on the Lease: _____

Name of the Perpetrator*: _____

*Note: The Victim is required to provide the name of the perpetrator only if the name of the perpetrator is safe to provide, and is known to the victim.

Perpetrator’s Relationship to Victim: _____

Date(s) the Incident(s) of Domestic Violence, Dating Violence, Sexual Assault, or Stalking Occurred: _____

Location of Incident(s): _____

Description of Incident(s) (This description may be used by the PHA, owner or manager for purposes of evicting the perpetrator. Please be as descriptive as possible.):

[INSERT TEXT LINES HERE]

DRAFT

I hereby certify that the information that I have provided is true and correct and I believe that, based on the information I have provided, that I am a victim of domestic violence, dating violence, sexual assault or stalking. I acknowledge that submission of false information is a basis for denial of admission, termination of assistance, or eviction.

Signature _____ Executed on (Date) _____

Public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. Information provided is to be used by PHAs and Section 8 owners or managers to request a tenant to certify that the individual is a victim of domestic violence, dating violence or stalking. The information is subject to the confidentiality requirements of the HUD Reform Legislation. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

By Hand Delivery and Registered Mail

RE: Euclid Improvement Area
Tenant Choice & Replacement Apartment Notice

Dear Improvement Area Tenants,

As you may know from our ongoing community engagement, we are soon beginning work on the “Euclid Improvements” that are planned for the area where you live. The City Council has approved the project, including a detailed Relocation Plan. This Plan incorporates our Updated Relocation Commitments, enclosed here. These are our written promises to you to ensure that all existing tenants in the Euclid Improvements area can always stay at Woodland Park. We made the Relocation Plan available to you, provided you with the Updated Relocation Commitments, and held a series of tenant meetings and informational booths on _____.

It is now time to begin the Tenant Choice and Replacement Apartment process for your building. Your household has an important choice to make. Each household must select one of the following three choices by [Insert date that is at least 30 days from the date of the letter]. You can make the housing choice that works best for your household. If you participated in the OTRM, we promised you would have the same rights as tenants who did not. You have already selected choice A, but you will be able to change your mind and select choice B or C.

- A. Option A: Remain at Woodland Park With Right of Return. We will move you, at no cost to you, to a Replacement Apartment in the same neighborhood at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened. (In the unlikely event that no like-sized or larger Replacement Apartment within Woodland Park is made available to you, we will assist you in finding a comparable unit in East Palo Alto until the Right of Return apartment is available.) You will have a right of return into a brand-new Right of Return Apartment, at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below.

If you return to a Right of Return Apartment, you will receive an Anti-Displacement Incentive. This is an incentive for households to stay at Woodland Park during construction

- and exercise their right to return to the new building. The incentive will be a \$1,000 voucher for housing-related goods from a local business. A household may choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent paid on a Replacement Apartment after the tenant has moved into a Right of Return Apartment.
- B. Option B: Relocate Elsewhere With Right of Return. You may choose to leave Woodland Park and move into different housing that you find for yourself. You will have a right of return into a brand-new Right of Return Apartment, and at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below.
- C. Option C: Relocate Elsewhere, Waive Right of Return, Receive Relocation Payment. You may choose to leave Woodland Park, give up your right of return into a brand-new Right of Return Apartment in the Euclid Improvements and instead receive a Relocation Payment. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant's total Relocation Payment may also include one or more Qualified Tenant Benefits. A tenant who is Low Income, Disabled, Elderly, Dependent, or Terminally Ill would receive a Qualified Tenant Benefit of \$3,303.61 for each additional payment category that applies to the tenant receiving the Relocation Payment. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date. This includes a moving benefit described below.

You will also have a choice between three moving benefits (unless you have already completed a move out of the Euclid Improvement Area):

Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

Choice 3: You move yourself. Woodland Park will provide a Moving Assistance Payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

This letter notifies you that the process is starting, explains how it will work, and includes the following documents:

- Signed Final UPDATED Relocation Commitments
- Tenant Choice and Replacement Apartment Form
- FAQs
- Map of Woodland Park neighborhood
- Invitation for upcoming Information & Input Booth on [XXX] and Tenant Meeting on [XXX]

The process that we are starting is now **mandatory**. You must make a choice for your household and tell us your choice by [Insert date that is at least 30 days from the date of the letter.] If you do not respond by the deadline, your tenancy would eventually be terminated so that we may proceed with the construction in a timely manner. The Notice of Approval of Relocation Plan packet provided you with at least one year of notice prior to any such termination.

Please complete the enclosed Tenant Choice Form and submit it to the north side management office at 2043 Euclid Avenue. Forms will be accepted starting today and will be processed in the order in which they are received. They must be returned to us by [Insert date that is at least 30 days from the date of the letter.]

If you have any questions, please contact [XXX].

Sincerely,

Mike Kramer
Woodland Park Communities

**Euclid Improvements – Tenant Choice Form &
Replacement Apartment Preference Letter**

Thank you for completing the Tenant Choice Form & Replacement Apartment Preference Letter. You may submit this form to the **Management Office at 2043 Euclid Avenue** at any time until [Insert date that is at least 30 days from the date of the letter.]. The forms will be processed on a first-come, first-served basis. This letter must be signed by all of the tenants on the lease.

- 1.) Name _____
- 2.) Current address _____
- 3.) Who else lives in your apartment? _____

- 4.) Home phone number: _____ Cell # _____
e-mail: _____
- 5.) What is the best way to reach you? _____

Please select the housing choice below that works best for your household:

_____ A. Remain at Woodland Park With Right of Return. We will move you, at no cost to you, to a replacement apartment in the same neighborhood at the same rent-stabilized rent you would otherwise be paying if nothing had happened. (In the unlikely event that no like-sized or larger replacement apartment within Woodland Park is made available to you, we will assist you in finding a comparable unit in East Palo Alto until the right of return apartment is available.) These tenants will have a right of return into a brand-new right of return unit, at the same rent-stabilized rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below. **(Please complete Worksheet A)**

_____ B. Move Elsewhere With Right of Return. You may choose to leave Woodland Park and move into different housing that you find for yourself. You will have a right of return into a brand-new right of return unit, and at the same rent-stabilized rent you would otherwise be paying if nothing had happened, in the Euclid Improvements when they have been constructed. This includes a moving benefit described below. **(Please Complete Worksheet B)**

_____ C. Move Elsewhere, Waive Right of Return, Receive Relocation Payment. You may choose to leave Woodland Park, give up your right of return into a brand-new right of return unit in the Euclid Improvements and instead receive a relocation payment. The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base relocation payment for a tenant with less than two years of occupancy is \$9,910.82. The base relocation payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant's total relocation payment may also include one or more qualified tenant benefits. A tenant who is low income, disabled, elderly, dependent, or terminally ill would receive a qualified tenant benefit of \$3,303.61 for each additional payment category that applies to the tenant receiving the relocation payment. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date. This includes a moving benefit described below. **(Please complete Worksheet C)**

Please select the moving benefit choice below that works best for your household:

_____ Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

_____ Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

_____ Choice 3: You move yourself. Woodland Park will provide a moving assistance payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

We , _____ (all tenants on the lease must sign) understand that the Tenant Choice & Replacement Apartment Form will determine our household's rights under the Euclid Improvements Relocation Plan. We have received a copy of the Relocation Plan and understand our choices. We know that the process is first-come first-served, and Woodland Park cannot guarantee the availability of any particular apartment or location. Each of us individually attests that all of the information provided above and on the applicable worksheet is true and correct.

Signature

Date

Signature

Date

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

For Office Use Only:
Received by: _____ Date: _____ Time: _____

Worksheet A
Remain at Woodland Park with Right of Return

Tenant Names: _____

Current Address: _____

We will do our best to accommodate your request, but we are limited by the apartments that are currently available.

- 1.) How many bedrooms does your current apartment have? _____
- 2.) For your Replacement Apartment:
 - a. Is there an intersection you would like to live near? _____
 - b. Do you have a preference between ground floor or upper floors? _____
- 3.) Do you need any reasonable accommodation? If yes, please explain. _____

Worksheet B
Move Elsewhere with Right of Return

Tenant Names: _____

Current Address: _____

What date will you fully vacate your Woodland Park Apartment? _____

What is your forwarding address? _____

Home phone number: _____ Cell # _____

e-mail: _____

Please make sure to notify us if your address changes or there are any other changes in your contact information. We will need a way to notify you when it is time to use your Right of First Return into the new Euclid Improvements building.

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Worksheet C

Move Elsewhere, Waive Right of Return, Receive Relocation Payment

Tenant Names: _____

Current Address: _____

What date will you fully vacate your Woodland Park Apartment? _____

What is your forwarding address? _____

For each person occupying your unit, please complete the following information and provide supporting documentation regarding age, income, disability, terminal illness, and emancipation, if applicable, as of the date of this letter:

Name	Birth Date	Date of Move-in	Annual Income	Is this person Disabled?	Is this person Terminally Ill?	Is this person an emancipated minor?

This tenant information is confidential and shall only be used for the purposes of calculating your Relocation Payment.

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By Hand Delivery

RE: Euclid Improvement Area
REMINDER: Tenant Choice & Replacement Apartment Notice

Dear _____,

On [Insert date of Tenant Choice letter], we sent you the Tenant Choice & Replacement Apartment Notice. The deadline for you to make your Tenant Choice was [Insert date 30 days from Tenant Choice letter]. We have not heard from you. Please immediately contact us or submit your Tenant Choice form.

If we do not hear from you by [Insert date 1 week from date of Reminder letter], your tenancy will eventually terminate in accordance with the notice of termination of tenancy so that we may proceed with the construction in a timely manner. The Notice of Approval of Relocation Plan packet provided you with at least one year of notice prior to any such termination.

We look forward to assisting you with the choice that is best for your household. We can be reached at [insert address, phone number, and email address].

Sincerely,

Business Manager

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By Hand Delivery

RE: Euclid Improvement Area; Tenant Choice
Selection of Replacement Apartment

Dear _____,

Thank you for participating in the Euclid Improvement Replacement Apartment move process. You currently live at _____. Today, we showed you the following two apartments:

- 1.) _____
- 2.) _____

We have provided you with a copy of the lease for each choice. You have **one (1) week** from today to select one of these two apartments by signing the new lease for that apartment. If you do not sign a lease electronically or sign a lease and return it to the Management office at 2041 Euclid Ave., East Palo Alto, CA 94303 by 5 pm on **[Insert date 1 week from date of letter]**, you will be automatically assigned to a Replacement Apartment at Management’s discretion and these apartments may be offered to others.

We look forward to assisting you with your Replacement Apartment move.

Sincerely,

Business Manager

I acknowledge receipt of this letter.

Tenant

Tenant

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By Hand Delivery

RE: Euclid Improvement Area; Tenant Choice
Selection of Replacement Apartment

Dear _____,

Thank you for participating in the Euclid Improvement Replacement Apartment move process. On, _____, we showed you the following two apartments:

- 1.) _____
- 2.) _____

You had one (1) week to select one of those apartments or be automatically assigned to one.

We are pleased to let you know that you have been assigned to _____. Please come to the office to sign the lease by 5 pm on [Insert date 1 week from date of this letter]. We hope you will enjoy your Replacement Apartment and we look forward to assisting you with your move.

Sincerely,

Business Manager

I acknowledge receipt of this letter.

Tenant

Tenant

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Euclid Improvements Area Relocation Plan Lease Addendum

This document is an addendum to the Lease Agreement dated as of _____ between _____ (“Resident”) and Woodland Park for the Unit ____ located at _____ (“Premises”).

1.) Resident is entering into this Lease Agreement as part of the Relocation Plan process associated with the Euclid Improvements Area. The annual rent increase for the Premises shall be the Rent Increase Date specified in Paragraph 2 hereof.

2.) On the Start Date of this Lease Agreement, Resident is the lessee under that certain _____ dated as of _____ for the premises located at _____ (“Original Apartment”). The annual rent increase date for the Original Apartment is _____ (“Rent Increase Date”).

3.) The Original Apartment is in the Euclid Improvement Area, which includes the following addresses:

- | | |
|---|---------------------|
| 2021 Euclid Ave. | 2040 Euclid Ave. |
| 2025 Euclid Ave. | 2042 Euclid Ave. |
| 2031 Euclid Ave. | 2044 Euclid Ave. |
| 2041 Euclid Ave. (previously known as 420 E. O’Keefe) | 2054 Euclid Ave. |
| 2043 Euclid Ave. | 501 O’Connor St. |
| 2012 Euclid Ave. | 2001 Manhattan Ave. |
| 2032 Euclid Ave. | 2033 Manhattan Ave. |
| 2036 Euclid Ave. | |

4.) Landlord has made the UPDATED Relocation Commitments and the City of East Palo Alto has approved a Relocation Plan (attached hereto). All commitments apply on a “per apartment basis.”

5.) Resident is moving into the Premises pursuant to the Relocation Plan. The Premises is the Replacement Apartment for Resident under the Relocation Plan.

6.) The P Original Apartment is “separately metered” for electricity and gas, so Resident pays PG&E directly. If the new Premises do not have a separate meter, then Resident will receive electricity and gas in the Premises without additional charge. If the new Premises do have a separate meter, then Resident will continue to pay PG&E directly for electricity and gas at the new address. If Resident has, and decides to exercise, a Right of Return as described in the Relocation Plan, the Right of Return Apartment will be separately metered and Resident will pay PG&E directly for gas and electricity.

_____ Resident	_____ Date	_____ Owner/Agent	_____ Date
_____ Resident	_____ Date		

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

Rent Stabilization Program Administrator
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Re: Change in Tenancy Form; Euclid Improvements Area—Relocation Plan Move

Dear Program Administrator,

Enclosed please find a Change in Tenancy Form for a tenant who has made the choice to move into a Replacement Apartment pursuant to the City-approved Relocation Plan for the Euclid Improvement Area. The tenant moved from [Insert old address and unit number] in the Euclid Improvement Area into [new address and unit number]. As shown in the lease, the Relocation Plan applies to this tenancy.

Please contact [XXX] if you have any questions.

Sincerely,

Senior Business Manager

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By Hand Delivery

RE: Euclid Improvement Area; Tenant Choice
Relocation Payment Agreement

Dear _____,

Thank you for participating in the Euclid Improvement Replacement Apartment move process. On _____, you chose to leave Woodland Park, giving up your right of return into a brand-new unit in the Euclid Improvements and instead receiving a Relocation Payment pursuant to the City’s Municipal Code.

The payment will be provided to tenants who are required to move as a result of the Euclid Improvements and will be calculated in accordance with Municipal Code section 14.08.060(A) for each adult and emancipated minor. The base Relocation Payment for a tenant with less than two years of occupancy is \$9,910.82. The base Relocation Payment for a tenant with two or more years of occupancy is \$13,214.42. A tenant’s total Relocation Payment may also include one or more Qualified Tenant Benefits. A tenant who is Low Income, Disabled, Elderly, Dependent, or Terminally Ill would receive a Qualified Tenant Benefit of \$3,303.61 for each additional payment category that applies to the tenant receiving the Relocation Payment. These amounts reflect the 2021 amount. The actual amounts will be adjusted by the Consumer Price Index for the year prior to the payment date.

This letter confirms (a) the calculation of your Relocation Payment and (b) your scheduled move-out date. We will prepare a check in the amount of 50% of your Relocation Payment to be paid to you thirty (30) days prior to your moving date. The remaining 50% of your Relocation Payment will be paid upon move-out.

You reported to us the following information for each person occupying the unit:

Name	Birth Date	Date of Move-in	Annual Income	Is this person Disabled?	Is this person Terminally Ill?	Is this person an emancipated minor?

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Name	Birth Date	Date of Move-in	Annual Income	Is this person Disabled?	Is this person Terminally Ill?	Is this person an emancipated minor?

We have checked this information against our files and calculated the following Relocation Payment:

Name	Base Payment (\$9,910.82 for adults and emancipated minors)	Additional amount (\$3,303.61 if > 2 years)	Additional Amounts (\$3,303.61 for each of Low Income, Disabled, Elderly, or Terminally Ill)	TOTAL
UNIT TOTAL				

You indicated that you planned to vacate your Woodland Park Apartment on [Insert date reported by tenant]. Your initial Relocation Payment (50% of the total) will be ready for pick-up on [Insert date 30 days prior to move-out date.] On your moving day, please come to the office to return the keys and schedule a time to pick up your final Relocation Payment (the remaining 50% of the total).

Your acceptance of the initial Relocation Payment will permanently waive any rights your household would otherwise have to a Replacement Apartment or Right of Return Apartment in the Euclid Improvements, pursuant to the Relocation Plan.

We hope you will enjoy your new home; we are sorry to see you go.

Sincerely,

Business Manager

I acknowledge receipt of this letter.

Tenant

Tenant

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

Rent Stabilization Program Administrator
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Re: Final Relocation Payment

Dear Program Administrator,

Enclosed please find a copy of the initial and final Relocation Payments issued for a household that has made the choice to receive a Relocation Payment pursuant to the City-approved Relocation Plan for the Euclid Improvement Area. The household moved from [Insert old address and unit number] in the Euclid Improvement Area. Woodland Park has fulfilled all of its obligations to the tenant household pursuant to the Relocation Plan.

Please contact [XXX] if you have any questions.

Sincerely,

Senior Business Manager

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

By Hand Delivery, Registered Mail, and Electronic Mail (if available)

RE: Euclid Improvement Area
Right of Return Notice

Dear Improvement Area Tenants,

We are excited to share that the newly constructed “Euclid Improvements” units are nearly complete. Pursuant to the Relocation Plan that the City of East Palo Alto approved in 2022, you have a Right of Return into a brand new apartment, at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened, within the Euclid Improvements.

It is now time to begin the Right of Return process for the new building. Your household has an important housing choice to make. You may choose to stay in your current housing, or you may choose to move into the Euclid Improvements. You can make the choice that works best for your household.

If you choose to move into the Euclid Improvements, you will also have a choice between three moving benefits:

Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

Choice 3: You move yourself. Woodland Park will provide a moving assistance payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

If you have been living in a Replacement Apartment at Woodland Park and you return to a Right of Return Apartment, you will receive an Anti-Displacement Incentive. This is an incentive for households to stay at Woodland Park during construction and exercise their right to return to the new building. The incentive will be a \$1,000 voucher for housing-related goods from a local business. A household may

choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent paid on a Replacement Apartment after the tenant has moved into a Right of Return Apartment.

This letter notifies you that the process is starting, explains how it will work, and includes the following documents:

- Right of Return Choice Form
- FAQs
- Invitation for upcoming Information & Input Booth on [XXX] and Tenant Meeting on [XXX]

The process that we are starting is time sensitive. Please make your choice and let us know by [insert date 1 month from letter]. If you do not respond by the deadline, we may proceed to lease the Euclid Improvement apartments to other families.

Please complete the enclosed Right of Return Choice Form and submit it to the management office. Forms will be accepted starting today and will be processed in the order in which they are received. They must be returned to us by [insert date one month from letter].

If you have any questions, please contact [XXX].

Sincerely,

Mike Kramer
Woodland Park Communities

Euclid Improvements – Right of Return Choice Form

Thank you for completing the Right of Return Choice Form. You may submit this form to the **Management Office at [XXXX]** at any time until [insert date 1 month from letter]. The forms will be processed on a first-come, first-served basis. This letter must be signed by all of the tenants on the lease.

- 1.) Tenant Names _____
- 2.) Current address _____
- 3.) Who else lives in your apartment? _____

- 4.) Home phone number: _____ Cell # _____
e-mail: _____
- 5.) What is the best way to reach you? _____

Please select the best housing choice for your household below:

_____ Remain In Current Housing. You choose to remain in your current housing. By making this choice, you give up the chance to move into the newly constructed Euclid Improvements unit at the same Rent-Stabilized Rent you currently pay.

_____ Exercise Right of Return. We will move you within East Palo Alto, at no cost to you, to a rent-stabilized Right of Return Apartment in the newly constructed Euclid Improvements at the same Rent-Stabilized Rent you would otherwise be paying if nothing had happened. If you have been living in a Replacement Apartment at Woodland Park and return to a Right of Return Apartment, you will receive an Anti-Displacement Incentive. This is an incentive for households to stay at Woodland Park during construction and exercise their right to return to the new building. The incentive will be a \$1,000 voucher for housing-related goods from a local business. A household may choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent paid on a Replacement Apartment after the tenant has moved into a Right of Return Apartment. (Please Complete Worksheet A).

If you chose to Exercise Right of Return, please select the best moving benefit for your household below:

_____ Choice 1: Woodland Park will pay for and arrange your moves within East Palo Alto. The services of a licensed mover will be provided at no cost to you. The licensed mover will be insured and will use its own boxes to pack and move all of your belongings.

_____ Choice 2: You arrange for and pay a mover. Woodland Park will reimburse your actual moving costs up to the amount of \$3,303.61 when you provide receipts for the moving expense. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

_____ Choice 3: You move yourself. Woodland Park will provide a moving assistance payment of \$1,982.16. (This reflects the 2021 amount; the actual amount will be adjusted by the Consumer Price Index).

We, _____
(all tenants on the lease must sign) understand that the Right of Return Choice Form will determine our household's rights under the Euclid Improvements Relocation Plan. We have received a copy of the Relocation Plan and understand our choices. We know that the unit selection process is first-come first-served, and Woodland Park cannot guarantee the availability of any particular apartment or location. Each of us individually attests that all of the information provided above and on the applicable worksheet is true and correct.

Signature

Date

Signature

Date

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

For Office Use Only:
Received by: _____ Date: _____ Time: _____

Worksheet A
Right of Return

Names: _____

Current Address: _____

We will do our best to accommodate your request, but we are limited by the apartments that are currently available.

- 1.) How many bedrooms does your Original Apartment have? _____
- 2.) For your Right of Return Apartment:
 - a. Do you have a preference between lower or upper floors? _____
- 3.) Do you need any reasonable accommodation? If yes, please explain. _____

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By U.S. Mail, Hand Delivery and Electronic Mail (if available)

RE: Euclid Improvement Area
REMINDER: Right of Return Notice

Dear _____,

On [Insert Date of Right of Return Notice], we sent you the Right of Return Choice Form. The deadline for you to make your Right of Return Choice was [Insert Deadline 1 month from date of Notice]. We have not heard from you. Please immediately contact us or submit your Right of Return Choice form. If we do not hear from you by [Insert date 1 week from reminder], we may we may proceed to lease the Euclid Improvement apartments to other families and you will permanently waive your right of return.

We look forward to assisting you with the choice that is best for your household. We can be reached at [insert address, phone number, and email address].

Sincerely,

Business Manager

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Euclid Improvements Area Relocation Plan Lease Addendum; Right of Return

This document is an addendum to the Lease Agreement dated as of _____ between _____ (“Resident”) and Woodland Park for the Unit ___ located at _____ (“Premises”).

1.) Resident is entering into this Lease Agreement as part of the Relocation Plan process associated with the Euclid Improvements Area. The annual rent increase for the Premises shall be the Rent Increase Date specified in Paragraph 2 hereof.

2.) Resident was previously the lessee under that certain _____ dated as of _____ for the premises located at _____ (“Original Apartment”). The annual rent increase date for the Original Apartment is _____ (“Rent Increase Date”).

3.) The Original Apartment was in the Euclid Improvement Area, which includes the following addresses:

- | | |
|---|---------------------|
| 2021 Euclid Ave. | 2040 Euclid Ave. |
| 2025 Euclid Ave. | 2042 Euclid Ave. |
| 2031 Euclid Ave. | 2044 Euclid Ave. |
| 2041 Euclid Ave. (previously known as 420 E. O’Keefe) | 2054 Euclid Ave. |
| 2043 Euclid Ave. | 501 O’Connor St. |
| 2012 Euclid Ave. | 2001 Manhattan Ave. |
| 2032 Euclid Ave. | 2033 Manhattan Ave. |
| 2036 Euclid Ave. | |

4.) Landlord has made the UPDATED Relocation Commitments and the City of East Palo Alto has approved a Relocation Plan (attached hereto). All commitments apply on a “per apartment basis.”

5.) Resident is moving into the Premises pursuant to the Relocation Plan. The Premises is the Right of Return Apartment for Resident under the Relocation Plan.

6.) The Original Apartment was “separately metered” for electricity and gas, so Resident paid PG&E directly. The Right of Return Apartment will be separately metered and Resident will pay PG&E directly for gas and electricity.

_____	_____	_____	_____
Resident	Date	Owner/Agent	Date

_____	_____
Resident	Date

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park

COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

[Date]

Rent Stabilization Program Administrator
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Re: Change in Tenancy Form; Euclid Improvements Area—Relocation Plan Move

Dear Program Administrator,

Enclosed please find a Change in Tenancy Form for a tenant who has made the choice to move into a Right of Return Apartment pursuant to the City-approved Relocation Plan for the Euclid Improvement Area. The tenant moved from [Insert old address and unit number] in the Euclid Improvement Area into [new address and unit number]. As shown in the lease, this move occurred pursuant to the Relocation Plan. Woodland Park has fulfilled all of its obligations to the tenant pursuant to the Relocation Plan.

Please contact [XXX] if you have any questions.

Sincerely,

Senior Business Manager

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Woodland Park COMMUNITIES

SAND HILL PROPERTY COMPANY
5 Newell Court | East Palo Alto, California 94303
www.nodisplacement.com

(Date)

By Hand Delivery

RE: Euclid Improvement Area
Notice of Anti-displacement Incentive

Dear _____,

Thank you for moving into your Right of Return Apartment. We are excited to have you in this new building and we hope you are settling in comfortably. We have committed to provide households like yours with an Anti-Displacement Incentive.

You are eligible to receive a \$1,000 voucher for housing-related goods from a local business. Instead, you may choose to receive any portion, or all, of the \$1,000 incentive as a rent refund of the last month of rent that you paid on your Replacement Apartment. Please return this form to our Management Office at your earliest opportunity if you would like to choose the rent refund option. If we do not hear from you within two (2) weeks, we will provide the voucher.

Sincerely,

Business Manager

I/We, _____, hereby choose to receive _____ of my/our \$1,000 Anti-Displacement Incentive as a rent refund for the last month of rent paid on the Replacement Apartment.

Name

Date

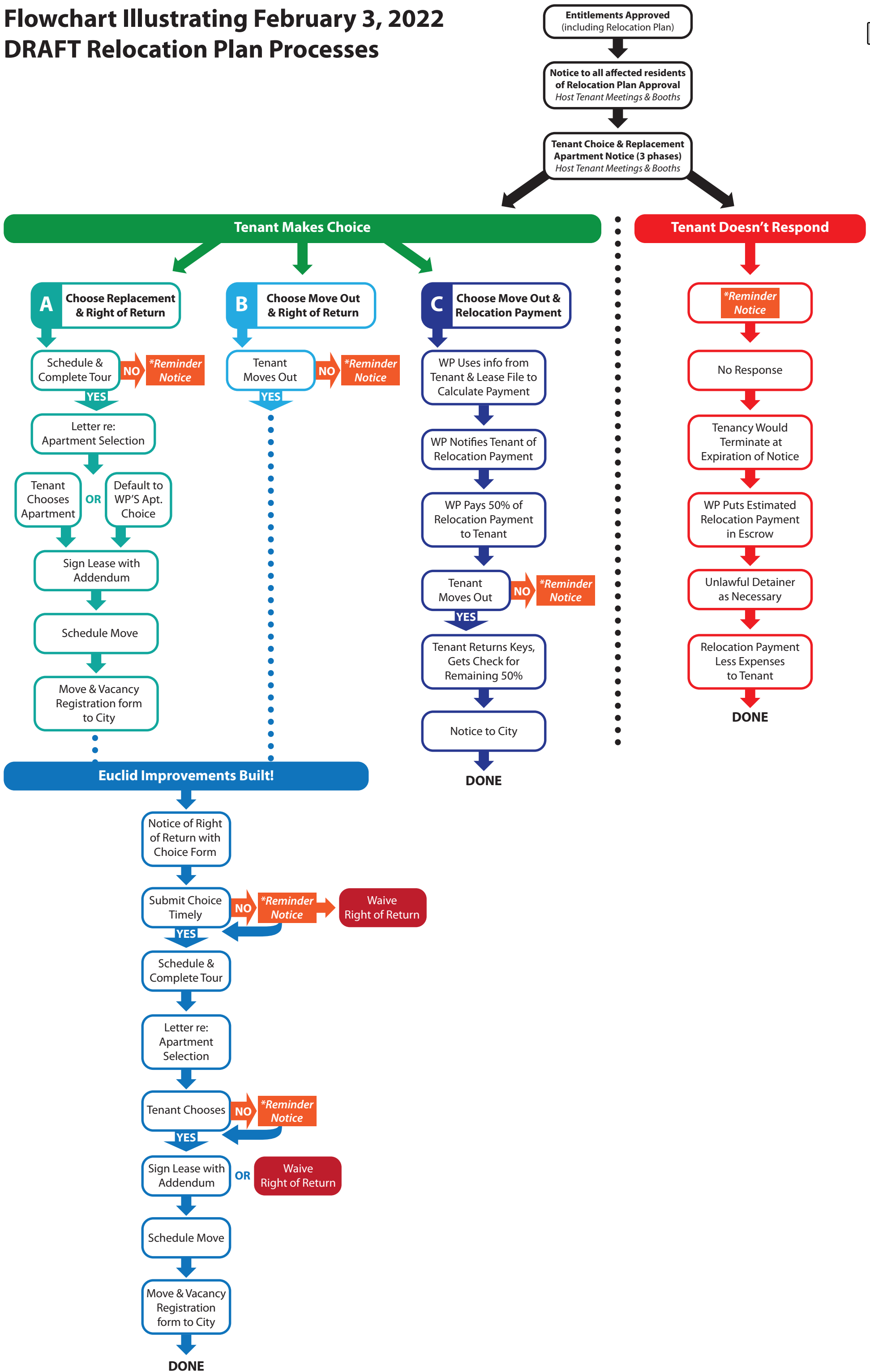
Name

Date

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Attachment 2: Example Flowchart

Flowchart Illustrating February 3, 2022 DRAFT Relocation Plan Processes



Attachment 3: City-Calculated Annual Adjustments to Relocation Benefit Amounts

**City-Calculated CPI Annual Adjustments to Relocation Benefit Amounts
February 2022**

Benefits / Years	Initial Amounts	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Relocation Assistance Per Tenant (Less than 2 years of tenancy)	\$7,500.00	\$7,657.50	\$7,841.28	\$8,060.84	\$8,254.30	\$8,477.16	\$8,799.29	\$9,080.87	\$9,444.11	\$9,547.99	\$9,910.82
Relocation Assistance Per Tenant (Two or more years of tenancy)	\$10,000.00	\$10,210.00	\$10,455.04	\$10,747.78	\$11,005.73	\$11,302.88	\$11,732.39	\$12,107.83	\$12,592.14	\$12,730.66	\$13,214.42
Qualified Tenant Benefit	\$2,500.00	\$2,552.50	\$2,613.76	\$2,686.95	\$2,751.43	\$2,825.72	\$2,933.10	\$3,026.96	\$3,148.04	\$3,182.66	\$3,303.61
Supported Moving Costs Per Unit	\$2,500.00	\$2,552.50	\$2,613.76	\$2,686.95	\$2,751.43	\$2,825.72	\$2,933.10	\$3,026.96	\$3,148.04	\$3,182.66	\$3,303.61
Unsupported Moving Costs Per Unit	\$1,500.00	\$1,531.50	\$1,568.26	\$1,612.17	\$1,650.86	\$1,695.43	\$1,759.86	\$1,816.17	\$1,888.82	\$1,909.60	\$1,982.16

Attachment: Relocation Plan (2406 : Woodland Park Euclid Improvements)

Affordable Housing Alternative Compliance Proposal

Alternative Compliance Proposal	Amount
Off-site Income-Restricted Affordable Units	70 to 89 units (16 to 20 % net new units)
In-lieu Fee	\$0 - \$4,921,000* (0-19 units at \$259k* per unit)
Total	Combined in-lieu fee and unit count must add up to 89 units (20% net new units)
On-site Rent Stabilized Units	160

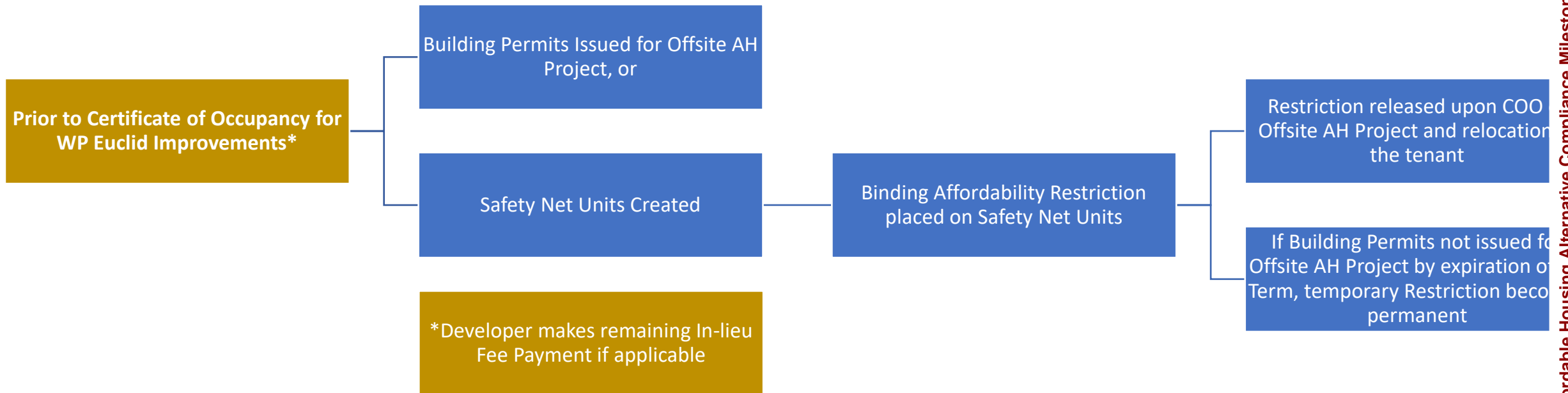
* Estimate only--in-lieu fee will be based on the fee in effect at the time of issuance of the first building permit for the Project

Affordable Housing Milestone Requirements: Prior to Building Permit Issuance



*unless force majeure prevents planning application submission for offsite project, in which case in-lieu fee must be paid prior to Certificate of Occupancy

Affordable Housing Milestone Requirements: Prior to Certificate of Occupancy



Safety Net Unit: existing units on land in the City owned by Developer made temporarily available to lower income households consistent with the City's 2019 Inclusionary Housing Ordinance until Off-Site AH Units are available for occupancy

MEMORANDUM

To: Woodland Park Communities

From: Economic & Planning Systems, Inc.

Subject: Fiscal and Economic Impact Analysis of the Proposed Euclid Improvements Project; EPS #181057

Date: July 7, 2022

The Economics of Land Use



Economic & Planning Systems (EPS) has been aiding Woodland Park Communities with fiscal and economic impact analysis of the proposed “Euclid Improvements” project in the City of East Palo Alto. The proposed project seeks to replace 160 existing rent-stabilized units with 605 mixed-income apartments and up to 8,000 square feet of retail and/or community/nonprofit space within Woodland Park. In addition, the proposed project provides for an additional 75 units of deed-restricted, below-market-rate affordable housing to be developed at an offsite location. The off-site housing would be delivered in partnership with Eden Housing and would satisfy City requirements for below-market-rate housing.

This memorandum summarizes the fiscal impact of the proposed project on the City of East Palo Alto General Fund, including the Woodland Park development and off-site housing. The analysis reflects coordination with the City and its fiscal consultant, Keyser Marston Associates (KMA). Fiscal impact estimates for the Woodland Park development derive from EPS analysis completed in 2021 (EPS Memorandum February 8, 2021). The findings presented here also add fiscal impact estimates for the proposed off-site affordable housing. However, design work and program formulation for the off-site affordable housing is still underway and the findings of this analysis could change as more project detail becomes available.

The following **Summary of Findings** highlights EPS estimates of the project’s net positive fiscal impacts at project stabilization. Actual fiscal and economic impacts will depend on factors that cannot be predicted with certainty, including the market performance of the project, future changes in City or State budgeting practices, the efficiency of various City departments in supplying services, and other factors. Critical analytical inputs relied upon by the analysis include assumptions provided by Woodland Park Communities, Eden Housing, City Finance

Economic & Planning Systems, Inc.
 1330 Broadway
 Suite 450
 Oakland, CA 94612
 510 841 9190 tel

*Oakland
 Sacramento
 Denver
 Los Angeles*

www.epsys.com

Department, public documents, and EPS industry knowledge, among other sources. The analysis presents impact estimates in constant 2022 dollars.

Summary of Findings

1. The Euclid Improvements project will result in a total net fiscal benefit to the City of East Palo Alto's General Fund of over \$1.1 million per year.

This updated analysis estimates that the net annual fiscal impact of the Euclid Improvements project on the City's General Fund is positive and significant. As shown in **Table 1**, this impact estimate reflects net new General Fund revenues of over \$1.1 million in year 11 when Measure O requirements apply. The estimated net fiscal impact of proposed development at Woodland Park totals almost \$1.2 million, well above the net annual fiscal cost of \$68,000 associated with the project's off-site affordable housing.¹ Euclid Improvements overall net new contribution to the General Fund will be available to support a range of City services.

Table 1 Euclid Improvements Project Fiscal Impact Summary (2022\$)

Revenue/ Expense Category	Net Impact ¹
WOODLAND PARK DEVELOPMENT	
General Fund Revenues	\$1,712,000
General Fund Expenditures	-\$535,000
<i>Annual Fiscal Impact on the General Fund</i>	<i>\$1,177,000</i>
PARTNERSHIP FOR BELOW-MARKET-RATE HOUSING	
<i>Annual Fiscal Impact on the General Fund</i>	<i>-\$68,000</i>
TOTAL	
<i>Annual Fiscal Impact on the General Fund</i>	<i>\$1,109,000</i>

[1] Net impact is based on year 11 of the Proposed Project. City revenues from Measure O begin after year 10.

Sources: Woodland Park Communities; City of East Palo Alto; Economic & Planning Systems, Inc.

¹ This analysis finds that the off-site affordable housing development will have a negative fiscal impact on the City's General Fund. The estimated annual cost to the City is largely attributable to the lost property tax revenue that results from tax exemption, combined with new General Fund costs from services to the housing project. The California Revenue and Taxation Code provides that property owned by a nonprofit organization or eligible limited liability company providing housing for lower income households can qualify for the welfare exemption.

2. At project buildout, Property Tax will account for the largest revenue source to the City.

After accounting for lost property tax revenue attributable to the off-site affordable housing, the analysis estimates that Euclid Improvements project will generate over \$960,000 in net new annual property tax revenue accruing to the City's General Fund. This growth in property tax revenue stems from an expected increase in assessed value of \$308 million at Woodland Park. The rise in assessed value at Woodland Park is offset by a modest reduction in assessed value at the off-site affordable housing site.

3. The Euclid Improvements project's most significant cost to the City's General Fund is likely to be borne by the Police Department.

Assuming that Police Department costs increase with added population at Woodland Park and within the new off-site affordable housing, the analysis estimates that the cost of police services will grow from about \$150,000 per year today to approximately \$468,000 per year at project stabilization. This estimate reflects police department cost factors provided to EPS by the City. However, compared to historically reported calls for service at Woodland Park, the police cost estimates are conservative (i.e., more likely to overstate than understate costs). Woodland Park has dedicated, private, around-the-clock security fielding calls that would otherwise go to City police.

4. Over a 20-year time horizon, the project is expected to generate a cumulative net positive fiscal impact of about \$18.6 million.

The City levies a Residential Rental Business License Tax (Measure O) which applies to all market-rate units starting 10 years after a certificate of occupancy has been issued. Accounting for this tax increase beginning in year 11, the fiscal impact of the Euclid Improvements project is estimated at about \$1.6 million in year three, \$8.6 million in year 11, and over \$18.6 million in year 20, including development at Woodland Park and off-site affordable housing.

5. One-time development impact fees paid by the project developer total roughly \$8.17 million.

The City of East Palo Alto charges development impact fees including:

1. Parks and Trails Fee;
2. Public Facilities Fee;
3. Transportation Infrastructure Fee;
4. Storm Drainage Fee;
5. Water Capacity Fee; and
6. Residential Impact Fee.

Assuming that the proposed project is not subject to the City's Residential Impact fee and that Woodland Park Communities pays impact fees on net new units delivered, roughly \$8.17 million would be generated for City capital improvement programs. In addition, local infrastructure improvements delivered by the project and other development impact fees (e.g., levied by local school districts) will contribute to the community benefit of the proposed project.

MEMORANDUM

To: Woodland Park Communities

From: Economic & Planning Systems, Inc.

Subject: Updated Fiscal and Economic Impact Analysis of the Proposed Euclid Improvements Project; EPS #181057

Date: February 8, 2021

The Economics of Land Use



Woodland Park Communities retained Economic & Planning Systems, Inc. (EPS) to prepare a fiscal and economic impact analysis of the proposed “Euclid Improvements” project in the City of East Palo Alto. The proposed project seeks to replace 160 existing rent-stabilized units with 605 mixed-income apartments and up to 8,000 square feet of retail and/or community/nonprofit space.

This EPS analysis considers the likely effects of the proposed project on the City of East Palo Alto General Fund and the local economy. Specifically, the fiscal analysis identifies whether the proposed project will generate adequate City revenues to cover the cost of providing ongoing municipal services to new residents and employees. In addition, the economic impact analysis evaluates the potential effect of the project on employment, employee compensation, and sales (i.e., economic output). Keyser Marston Associates (KMA) reviewed an early draft of this analysis, released in September 2019. This update reflects KMA recommendations and new data from East Palo Alto’s Finance Department. The findings of this analysis could change further as additional project data, information from the City, and more input from stakeholders becomes available.

The following **Summary of Findings** highlights EPS estimates of the project’s net positive fiscal and economic impacts at project stabilization. Actual fiscal and economic impacts will depend on a number of factors that cannot be predicted with certainty, including the market performance of the project, future changes in City or State budgeting practices, the efficiency of various City departments in providing services, and other factors. Critical analytical inputs relied upon by the analysis include assumptions provided by Woodland Park Communities, City and County documents, and EPS industry knowledge, among other sources. The analysis presents impact estimates in constant 2021 dollars.

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 Sacramento
 Denver
 Los Angeles

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Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Summary of Findings

- 1. The proposed mixed-use project will result in a net fiscal benefit to the City of East Palo Alto General Fund of over \$907,000 per year, increasing to about \$1.18 million in the future.***

This analysis estimates that the net annual fiscal impact of the proposed project on the City's General Fund is positive and significant at project stabilization, as shown in **Table 1**. This impact estimate reflects net new General Fund revenues of \$1.44 million and net new City General Fund expenditures of \$0.54 million. Net new revenues increase to \$1.71 million in year 11 when Measure O requirements apply. The estimated \$907,000 net additional City funds at project stabilization and \$1.18 million at year 11 are over and above the positive net fiscal impact that the "baseline" existing uses currently have on the General Fund. The project's net new contribution to the General Fund will be available to support a range of potential City services.

Table 1 Fiscal Impact Summary at Project Stabilization and Year 11

Revenue/ Expense Category	Net Impact at Stabilization ¹	Net Impact at Year 11
Total General Fund Revenues	\$1,442,000	\$1,712,000
Total General Fund Expenditures	\$535,000	\$535,000
ANNUAL FISCAL IMPACT ON GENERAL FUND	\$907,000	\$1,177,000

[1] The project is assumed to stabilize by Year 3. Additional revenues as a result of Measure O start Year 11; see Table 14 for yearly fiscal impact schedule.

Sources: Woodland Park Communities; City of East Palo Alto; Economic & Planning Systems, Inc.

- 2. At project buildout, Property Tax will account for the largest revenue source to the City.***

The proposed project is projected to generate nearly \$1.1 million in annual property tax revenue accruing to the City's General Fund. This is an increase of \$0.97 million over the current \$117,000 in annual property tax revenue generated by the existing 160 units on site. The growth in property tax revenue is attributable to the anticipated \$308 million increase in the assessed value of the project parcels, from about \$37 million today to an estimated \$345 million after the project is delivered.

- 3. The proposed project's most significant cost to the City's General Fund is likely to be borne by the Police Department.***

Assuming that police costs increase along with the net new population added by the development, the analysis estimates that the cost of police services will grow from about \$150,000 per year today to approximately \$435,000 per year at project stabilization. This estimate reflects current police department cost factors provided to EPS by the City. However, based on historically-reported calls for service, the police costs associated with the project site now and with new development are conservative (i.e., more likely to overstate

than understate costs). Additionally, Woodland Park has dedicated, private, around-the-clock security on site. This security service addresses calls from residents, so it is likely that security fields calls that would otherwise go to City police.

4. Over a 20-year time horizon, the project is expected to generate a cumulative net positive fiscal impact of about \$20 million.

The City levies a Residential Rental Business License Tax (Measure O) which applies to all units starting 10 years after a certificate of occupancy has been issued. Accounting for this tax increase commencing in year 11, the project generates an additional \$0.27 million annually in fiscal impact, increasing from \$907,000 to \$1.18 million per year. The cumulative impact of the project is estimated at about \$1.8 million in year three, \$9.3 million in year 11, and over \$19.9 million in year 20.

5. One-time development impact fees paid by the project developer total roughly \$6.8 million.

The City of East Palo Alto currently charges development impact fees including the (1) Parks and Trails fee, (2) Public Facilities fee, (3) Transportation Infrastructure fee, (4) Storm Drainage fee, and (5) Water Capacity Fee. The analysis assumes that the applicant is not subject to the City's Residential Impact fee. Based on the City's most recent fee schedule (effective July 2019), the total development impact fees are \$15,400 per unit.¹ Assuming that Woodland Park Communities pays impact fees on the net new units delivered by the project, roughly \$6.8 million would be generated for City capital improvement programs. Additional local infrastructure improvements and development impact fees levied by the local school district will generate additional community benefits.

6. Construction of the Euclid Improvements project will cost an estimated \$320 million and directly support roughly 1,500 job years in the local economy.

Assuming the project is constructed over a three-year period, an average of 500 jobs will be supported throughout the development period. This direct employment and associated spending in the local economy is anticipated to stimulate an additional \$100 million+ in economic "ripple" effects in the local economy, with the total economic significance of the investment resulting in a one-time benefit that approaches \$460 million. **Table 2** summarizes estimated one-time impacts from construction.

¹ City of East Palo Alto City-wide Development Impact Fee Program, Community and Economic Development Department, Engineering Division

Table 2 One-Time Economic Impact from Construction

Impact Type	Jobs	Employee Compensation	Value Added ¹	Total Output
Direct Effect	1,500	\$139,135,000	\$188,611,000	\$320,000,000
Indirect Effect	450	\$33,047,000	\$49,056,000	\$71,412,000
Induced Effect	400	\$26,385,000	\$45,924,000	\$67,424,000
Total Effect	2,350	\$198,567,000	\$283,591,000	\$458,836,000

[1] Comparable to gross domestic product (GDP).
 Sources: IMPLAN; Economic & Planning Systems, Inc.

7. The proposed project’s operations will support new jobs and generate demand for goods and services in the local economy, creating about \$6.7 million in net new spending annually in the local economy.

In addition to tax revenue for the City and construction period benefits, the project will generate new ongoing employment and spending in East Palo Alto as well as additional economic activity created by the project’s “ripple effect” in the local economy (within San Mateo County). EPS estimates that the project will directly support about 99 jobs and \$6.3 million in spending in the local economy. These part-time and full-time jobs result from operations and maintenance of the project as well as household spending on retail purchases in the local economy. Including the ripple effect, the project will support an estimated \$9.6 million in spending per year, an increase of approximately \$6.7 million over the existing uses at the project site. The spending will support an estimated 82 net new jobs in East Palo Alto, including approximately 40 retail jobs. **Table 3** summarizes estimated recurring annual impacts from project operations.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Table 3 Recurring Economic Impact from Operations

Impact Type	Jobs	Employee Compensation	Value Added ¹	Total Output
Direct Effect	99	\$4,675,000	\$7,650,000	\$6,266,000
Indirect Effect	7	\$565,000	\$866,000	\$1,274,000
Induced Effect	12	\$807,000	\$1,404,000	\$2,063,000
Total Economic Impact	119	\$6,047,000	\$9,920,000	\$9,603,000
Baseline	37	\$1,885,000	\$3,092,000	\$2,925,000
Net Economic Impact	82	\$4,162,000	\$6,828,000	\$6,678,000

[1] Comparable to gross domestic product (GDP).
 Sources: IMPLAN; Economic & Planning Systems, Inc.

8. The proposed project will create new job opportunities in a range of industries that already are present in the local economy and in occupations that span a wide spectrum of educational and professional requirements.

By adding to the City of East Palo Alto’s housing stock and enhancing local retail, the proposed project supports marginal growth in already well-developed economic sectors. Accordingly, the local economy is well equipped to provide the necessary direct and indirect inputs to supply, including services from vendors and new employees. Furthermore, the industries that are positively impacted by the project require employment in an array of occupations that support a diversity of employee qualifications, with typical entry-level job education ranging from no high school diploma (e.g., landscaping jobs) to some college (e.g., bookkeeping jobs). In addition, these occupations also provide opportunities for well-educated members of the labor force, with occupations in property management and real estate providing noteworthy opportunities for college graduates and those with advanced degrees. Overall, the job opportunities created by the proposed project appear well aligned with the educational characteristics of workers residing in East Palo Alto.

Fiscal Impact on the General Fund

This section describes the methodology and key assumptions used to estimate the fiscal impacts of the proposed project. The analysis is based on information from:

- development applicant;
- City and County documents; and
- existing EPS industry knowledge.

EPS has developed a fiscal impact framework based on its in-house methodology and East Palo Alto-specific factors obtained from the sources above. EPS has not conducted an independent audit of the City’s budget, performed in-depth interviews with service-providing City departments, or conducted detailed market analysis.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Project Description

Woodland Park Communities is proposing to replace 160 existing rent-stabilized units with a 605-apartment mixed-income community, along with up to 8,000 square feet of retail and community space. **Table 4** details the proposed development program. The table also presents EPS assumptions concerning the population and employment that would be on site at the project. A variety of revenues and costs included in this fiscal analysis are based on the anticipated "service population" shown in **Table 4**, which weights a local employee's service burden at one third of a resident's burden.

Table 4 Development Program and Service Population

Land Use	Development Program	Resident or Worker Density Assumptions ¹	Employment	Residents	Service Population ²
Commercial					
Retail	up to 5,000 SF	400 SF/Employee	13	0	4
Community/Non-profit space	up to 3,000 SF	380 SF/Employee	8	0	3
Commercial Total	8,000 SF		20	0	7
Residential					
Apartments ³					
Market Rate Units	445 DU	1.75 Residents/Unit	0	779	779
Deed-Restricted Rent-Controlled Units	160 DU	2.5 Residents/Unit	0	400	400
Residential Total	605 DU	1.9 Residents/Unit	0	1,179	1,179
Project Total			20	1,179	1,186

[1] Office, retail, hotel, and residential employment densities reflect typical conditions. Density may vary based on tenanting and real estate format.
 [2] Service population is the sum of total residential population and one third of total employment. It represents a measure of public service demand in which an employee generates one third the demand of a resident.
 [3] Household population for the new units reflects assumptions from data provided November 11, 2020 by Director of Client Services for Greystar Real Estate Services, which supports the leasing of recently built multifamily product for the Project Sponsor in San Mateo and Santa Clara Counties. Household population for the replacement units reflects existing Census reported data for Census Tract 6121, adjusted as recommended by KMA.

Sources: Greystar Real Estate Services; CA Department of Finance (2020); Economic & Planning Systems, Inc.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

General Fund Revenues

New General Fund tax proceeds attributable to the proposed development will include sales tax, property tax, property tax in lieu of vehicle license fee (VLF), sales tax, franchise fee, utility users' tax, and licenses, fees, and permits. **Table 5** provides a summary of the East Palo Alto Fiscal Year 2019-2020 Adopted General Fund revenue budget and a description of the forecasting method relied upon for each relevant revenue source.

Table 5 FY 2019-2020 Revenue Budget Summary and Fiscal Impact Estimating Factors

City of East Palo Alto Revenue Category	FY 2019-20 Baseline (Non-COVID)	Estimating Factors
Property Tax	\$10,638,829	31.6% of 1% of base assessed value
Property Tax In-Lieu of VLF ¹	\$4,311,171	See Table 7
Sales Tax ²	\$5,900,000	1.45% of estimated taxable sales
Transient Occupancy Tax	\$2,300,000	- not estimated
Franchise Fees	\$1,050,000	\$31.43 per capita service population
Utility Users Tax	\$1,570,000	\$47.00 per capita service population
Licenses, Fees, and Permits	\$3,005,000	- See Table 10
Fines and Forfeitures	\$420,000	- not estimated
Use of Money and Property	\$537,000	- not estimated
Grants and Intergovernmental	\$75,000	- not estimated
Charges for Current Services	\$690,500	- not estimated
Other Miscellaneous	\$27,500	- not estimated
Total Revenues	\$30,525,000	

[1] FY19-20 estimate based on communication with the City of East Palo Alto Finance Department.

[2] The Sales Tax Estimating factor of 1.45 percent is made up of two parts: (1) the Bradley-Burns sales tax, of which 95 percent (i.e., 0.95 percent of the sale price) accrues to the City while the remaining 5 percent (i.e., 0.05 percent of the sale price) accrues to San Mateo County, and (2) a 0.5-percent district sales tax that East Palo Alto voters approved in November 2016 through Measure P, which accrues to the City's General Fund. In total, taxable transactions in East Palo Alto generate sales tax to the City at a rate of 1.45 percent (0.95 percent Bradley-Burns plus 0.5 percent Measure P).

Sources: City of East Palo Alto Adopted Budget FY 2019-20; Economic & Planning Systems, Inc.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Property Tax Revenue

Property tax revenue is based on the estimated assessed value of the proposed project. Relying on Woodland Park Communities’ proposed development program, EPS estimates the project’s assessed value at about \$345,000,000 at buildout, as shown in **Table 6**.² The assessed value of the retail component assumes \$500 per square foot. The weighted average value of a residential unit is about \$566,000, which accounts for 160 new units that will be rent-stabilized and 445 units that will be rented at market rates. The existing units on site currently are assessed at approximately \$218,600 per unit. EPS assumes new rent-stabilized units will be assessed at a higher value, about \$350,000 per unit. The new market rate units have an estimated assessed value of \$644,000 per unit.

Table 6 Assessed Value of the Proposed Project

Category of Assessed Value	Development Value Assumptions ¹	Total Value Estimate
Retail Assessed Value	\$500 per square foot	\$2,500,000
Residential Assessed Value	\$566,299 per unit	\$342,611,150
<i>Market Rate Units</i>	<i>\$644,070 per unit</i>	<i>\$286,611,150</i>
<i>Existing Units²</i>	<i>\$231,944 per unit</i>	<i>\$0</i>
<i>New Rent-Controlled Units³</i>	<i>\$350,000 per unit</i>	<i>\$56,000,000</i>
Total Assessed Value		\$345,111,150

[1] Includes land and improvements.

[2] San Mateo County Assessor Tax Roll (Assessment Year 2018, adjusted to 2021 at 2% per annum).

[3] Cushman & Wakefield Appraisal of Woodland Park as of December 31, 2018 and adjustment for new construction.

Sources: Woodland Park Communities; City of East Palo Alto; Economic & Planning Systems, Inc.

The proposed project is located in Tax Rate Area (TRA) 021-024. For parcels located within this TRA, the City’s General Fund captures 31.6 percent of the base 1.0 percent property tax rate. Given the anticipated assessed value of the proposed project, the property tax revenue accruing to the City’s General fund is anticipated to be over \$1 million per year, as shown in **Table 7**. The **Fiscal Impact of Existing Uses** section of this memorandum considers the baseline property tax revenue associated with the current assessed value of the site.

Property Tax In-Lieu of Vehicle License Fees

In 2004, the State of California adjusted the method for sharing vehicle license fees (VLF) with local jurisdictions. More recently, State budget changes replaced the VLF with property tax,

² Personal communication with the San Mateo County Assessor’s Office indicates that the sales comparison approach may be used to establish assessed value. Assessed value relied on in this analysis approximates that valuation.

which grows proportionately with increases in assessed value of the City. The proposed project will add about 10.5 percent to the current assessed value in East Palo Alto (assuming no other assessed value growth for simplification purposes) and will generate a proportional increase in in-lieu VLF revenues. The estimated property tax in lieu of VLF associated with the proposed project is approximately \$452,000.

Table 7 Property Tax and Property Tax In Lieu of VLF Revenue

Property Tax and Estimating Factors	Assumption / Estimating Factor	Formula	Estimates
Property Tax			
Project Assessed Value	see Table 5	<i>a</i>	\$345,111,150
Property Tax	1.0% Base Property Tax Rate		\$3,451,112
General Fund Property Tax Revenue¹	31.6% Allocation to General Fund		\$1,091,469
Property Tax In Lieu of VLF			
Existing Citywide Property Tax in Lieu of VLF ²		<i>b</i>	\$4,311,171
Citywide Assessed Value ³		<i>c</i>	\$3,289,212,822
Percentage Increase in Citywide Assessed Value		$d = a / c$	10.49%
New General Fund Property Tax In Lieu of VLF		$e = d * b$	\$452,337

[1] Increment allocation factor for Tax Rate Area 021-014.

[2] City of East Palo Alto Finance Department.

[3] San Mateo County Assessor's Annual Report (FY 2018-2019). Includes secured and unsecured assessed value.

Sources: City of East Palo Alto; San Mateo County Assessor; Economic & Planning Systems, Inc.

Retail Sales Tax Revenue

The proposed project is expected to generate retail sales tax revenue accruing to the City of East Palo Alto, both from project households retail spending and additional on-site retail sales. Project household spending estimates are reflective of retail sales for specific income brackets. Additional on-site retail sales are based on expected business activity within the estimated 5,000 square feet of retail in the project program. The local sales tax rate is 1.45 percent of taxable retail sales, including the base sales tax rate and additional sales tax generated by a voter-approved measure. **Table 9** summarizes sales tax revenue projections at project stabilization.

Taxable Household Spending

This fiscal analysis relies on data from the U.S. Bureau of Labor Statistic Consumer Expenditure Survey to establish the retail spending pattern of households. The spending patterns reflect household consumer behavior observed nationally for households with specific levels of annual income. This analysis uses anticipated residential rents to estimate household income for households in market rate units, as shown in **Table 8**. The estimated household incomes for the

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rent-stabilized units reflect the median household income for the Census block group in which the project is located.³

Table 8 Annual Household Income Estimates

Residential Unit Type	Total Units	Occupied Units ¹	Monthly Rent per Unit ²	Annual Rent	Average Household Income ³	Total Household Income
Market Rate Units	445	423	\$3,067	\$36,804	\$94,369	\$39,894,592
Rent-Controlled Units	160	152	\$1,329	\$15,952	\$43,818	\$6,660,336
Total	605	575	\$2,607	\$31,289		\$46,554,928

[1] Assumes citywide vacancy rate of 5 percent for market rate units (5-year average data from CoStar Group).
 [2] Weighted average rent across studio, 1-bedroom, 2-bedroom, 3-bedroom, and 4-bedroom units.
 [3] Assumes that rental costs are 39 percent of total household income for market rate units (Bay Area Burden, ULI). Incomes for rent-controlled units assumes median household income for Block Group 4, Census Tract 6121 (ACS 2015-2019).

Sources: American Community Survey Table B19013 (2015-2019); CoStar Group; City of East Palo Alto Inclusionary Housing Ordinance; HCD Income Limits; Economic & Planning Systems, Inc.

To identify taxable retail expenditures made by project households, the analysis identifies and isolates taxable retail spending from total household spending. The analysis estimates that for market-rate units, households spend approximately 26 percent of gross household income on taxable retail purchases. Households in the rent-stabilized units spend an estimated 34 percent of gross income on taxable retail purchases. To account for East Palo Alto’s capture of these taxable sales, the analysis estimates that 5 percent of that spending occurs within the City. Per-household taxable spending in East Palo Alto is multiplied by occupied project units to determine average annual taxable sales.

The **Fiscal Impact of Existing Uses** section of this memorandum considers the baseline sales tax revenue associated with the current assessed value of the site. The analysis identifies that rent-stabilized units do not contribute to the net impact on sales tax revenue, since current residents will return to new rent-stabilized units and that their contributions to local sales tax revenue remain unchanged.

On-Site Retail Sales

On-site retail sales are based on a taxable sales factor of \$350 per square foot of retail space. To avoid double counting, EPS assumes that 20 percent of resident spending on taxable retail in East Palo Alto occurs at the on-site retail. After netting out this resident spending (already

³ Block 4003, Block Group 4, Census Tract 6121, American Community Survey (2013-2017 5-year estimate).

counted) from the on-site sales total, the additional on-site taxable retail sales are estimated at about \$1.6 million.

Table 9 Retail Sales Tax Revenue

Sales Tax Sources and Estimating Factors	Assumptions/ Estimating Factors	Estimates
Market Rate Units - Household Retail Spending		
Average Household Income ¹	\$94,369 per household	
Household Expenditure on Taxable Sales ²	\$24,536 per household	
Occupied Residential Units	423 units	
Market Rate Units - Household Retail Spending		\$10,372,594
Retail Sales in East Palo Alto ³	5.0% City capture rate	\$518,630
Rent-Controlled Units - Household Retail Spending		
Average Household Income ¹	\$43,818 per household	
Household Expenditure on Taxable Sales ²	\$14,898 per household	
Occupied Residential Units	152 units	
Rent-Controlled Household Retail Spending		\$2,264,514
Sources: Woodland Park Communities; City of East Palo Alto	5.0% City capture rate	\$113,226
On-Site Retail Sales		
New Retail Space	5,000 square feet	
Taxable Retail Sales	\$350 per sq. ft.	\$1,750,000
(Less) Project Resident and Employee Expenditures ⁴		-\$126,371
Net Additional Taxable Sales from Project Retail		\$1,623,629
Total Taxable Retail Sales		\$2,255,484
General Fund Sales Tax Revenue	1.45% of taxable sales	\$32,705

[1] See Table 8 for household income calculations.
 [2] Based on Bureau of Labor Statistics Consumer Expenditure Survey (2017) for respective income groups.
 [3] EPS Assumption.
 [4] EPS Assumption (20 percent of resident spending captured in local taxable spending estimates above).

Sources: International Council of Shopping Centers (2012); BLS Consumer Expenditure Survey (2017); Economic & Planning Systems, Inc.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Other General Fund Revenues

In addition to the revenues described above, other taxes and fees are estimated to be generated by the project. This analysis uses an average revenue approach derived from City budget documents to forecast new franchise fee revenues generated by commercial activity and utility users tax revenues generated for charges for services on increased resident and employee utility usage. **Table 10** presents forecasting assumptions and revenue estimates.

The project will also generate revenues through licenses, fees, and permits. The City of East Palo Alto charges a business license fee on all entities doing business in the City, including landlords, based on the City’s Annual License Fee Schedule. Furthermore, the City collects fees through Measure O to help fund programs for affordable housing and alleviate displacement and homelessness. Under Measure O, landlords with five or more residential rental units are subject to a 1.5 percent tax on gross rental receipts. The tax is levied beginning ten years after issuance of a certificate of occupancy for the units (CoO). Woodland Park LLC currently pays approximately \$36,000 per year to the City for the 160 units under Measure O. **Table 10** shows the revenues at project stabilization (year 3), when the project would still be exempt from Measure O. In year 11, ten years after certificate of occupancy is granted, the annual amount for Measure O is estimated to be about \$270,000 (see **Table 15**).

The current apartments are subject to an additional Rental Stabilization Ordinance Fee (RSO fee), which charges a City-established fee (\$222 per unit for FY 2018-2019) on units built before 1988. Because Woodland Park communities would replace the existing rent-control units, the project would continue to be subject to the registration fee for the rent-controlled units. This amount is estimated to be about \$35,000 for the current 160 units in the analysis of baseline conditions and is assumed to remain unchanged under the proposed conditions. The estimates in **Table 10** reflect continued RSO fee payment.

Table 10 Revenue from Other Taxes and Fees

Other Revenue Sources	Estimating Factor	Estimates
Franchise Fees	\$31.43 per capita service population	\$37,263
Utility Users Tax	\$47.00 per capita service population	\$55,717
Licenses, Fees, and Permits		
<i>Business License</i> ¹	per Annual License Fee Schedule	\$9,936
<i>Measure O</i> ²	1.5% gross rental receipts	\$0
<i>Rent Stabilization Ordinance Fee</i>	\$222 per unit	\$35,520
Total		\$45,456

[1] Assumes Woodland Park LLC earns annual gross receipts over \$10,000,000. The amount shown is proportional to the number of units in this section of Woodland Park apartments (160 of 1,842) plus fee attributable to the 445 new units per the City fee schedule.

[2] Applies to both baseline and the proposed project. Proposed project is exempt for first 10 years (excluded from summary above, see Table 14). Measure O (2016) is a 1.5 percent Business License Tax on Gross Receipts on owners of five or more residential units after 10 years from issuance of certificate of occupancy.

Sources: City of East Palo Alto; Economic & Planning Systems, Inc.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

General Fund Expenditures

This fiscal analysis estimates the costs attributable to population and employment growth by characterizing how expenses will change for each City department. For some departments, population and employment growth in the City will not dramatically alter operations. For example, administrative functions in the City are not likely to scale up significantly to accommodate new projects. Alternatively, departments that provide services directly to residents and businesses likely will increase their operations and associated costs to accommodate new population.

It is important to note that a range of external factors may influence City responses to growth and cost effects in the future. Examples of factors that are beyond the control of the City and its departments that may act to magnify or reduce department costs over time include:

- regional growth;
- technology;
- state and federal policies; and
- environmental factors.

This study does not speculate regarding the potential effects of such exogenous influences on the General Fund expense budget. The analysis focuses only on those factors attributable directly to the population growth, employment growth, and land use changes generated by the proposed project.

The fiscal analysis model relies on a categorization of the likely budgetary response to population and employment growth for each department. The anticipated response to growth is expressed for fiscal modeling purposes in terms of “fixed expenses” and “variable expenses” within the department budget.

The fixed expenses are the portion of a City department’s budget which is not affected by population and employment growth. Even a department which is anticipated to grow largely in step with the City’s service population likely would have some fixed cost. For example, in most cases each department has only one director position, which is a fixed expense for the department. While the department may increase staffing to accommodate growth, the department will not add another director.

The variable expenses of a department are those that do increase with growth. As the City’s populations expand, increased demand for services requires some departments to scale up their operations to meet new demand. The analysis identifies the portion of a department’s budget that scales up as the variable share of the budget.

EPS uses a per-capita cost approach to estimate department costs attributable to new residents and workers. The analysis relies on budget data provided by the City’s Finance Director concerning variable General Fund costs. The City data specify the variable costs to be used by this fiscal impact analysis, and the EPS analysis conforms to the City’s specified cost factors. The cost data are conservative (i.e., more likely to overstate costs and understate costs), relative to EPS fiscal impact analysis in other jurisdictions. **Table 11** presents per-capita service costs relied on by this analysis. To determine the new General Fund expenditures attributable to the proposed project, the per-capita factors are multiplied by the projected increase in service population or resident population of the project, as appropriate.

Table 11 FY 2020-2021 Expenditure Budget Summary and Fiscal Impact Estimating Factors

General Fund Expenditures	FY 2020-21 Baseline (Non-COVID)	Variable Expenditures	Estimating Factors ³	General Fund Expense Estimates
General Government ¹	\$6,382,615	\$4,033,126	\$121 per capita service population	\$143,130
Community Development	\$5,257,315	\$1,754,305	\$53 per capita service population	\$62,258
Public Works	\$4,859,425	\$3,924,500	\$117 per capita service population	\$139,275
Police	\$12,989,075	\$12,257,125	\$367 per capita service population	\$434,988
Other ²	\$953,920	\$790,860	\$24 per capita service population	\$28,066
Total General Fund Expenditures	\$30,442,350	\$22,759,916	\$681 per capita service population	\$807,716

[1] Includes City Council, City Attorney, City Clerk, City Manager, Administrative Services, and Finance.
 [2] Includes capital and technology, overhead, debt service, and other non-departmental expenditures.
 [3] Service population for East Palo Alto reflects population and employment estimates from California Department of Finance (2020); US Census, American Community Survey (2015-2019).

Sources: City of East Palo Alto Adopted Budget FY 19-20; KMA Memorandum to City of East Palo Alto, August 14, 2020; Economic & Planning Systems, Inc.

Fiscal Impact of Proposed Project

The analysis estimates that the proposed development will generate an annual fiscal impact of about \$907,000 at stabilization, increasing to \$1.18 million in year 11. **Table 12** details the fiscal impact of the proposed project on the City of East Palo Alto’s General Fund, with forecasted revenues and expenditure estimates based on the methodology described above.

Table 12 Fiscal Impact of Proposed Uses

Revenue/ Expense Category	Proposed Project at Stabilization	Proposed Project at Year 11
General Fund Revenues		
Property Tax	\$1,091,000	\$1,091,000
Property Tax In-Lieu of VLF	\$452,000	\$452,000
Sales Tax	\$33,000	\$33,000
Franchise Fees	\$37,000	\$37,000
Utility Users Tax	\$56,000	\$56,000
Licenses, Fees, and Permits ¹	\$45,000	\$315,000
Total Revenues	\$1,715,000	\$1,985,000
General Fund Expenditures		
General Government	\$143,000	\$143,000
Community Development	\$62,000	\$62,000
Public Works	\$139,000	\$139,000
Police	\$435,000	\$435,000
Other	\$28,000	\$28,000
Total Expenditures	\$808,000	\$808,000
ANNUAL FISCAL IMPACT ON GENERAL FUND	\$907,000	\$1,177,000

[1] Licenses, Fees, and Permits revenue excludes Measure O revenue for Project scenario as it applies starting 10 years from issuance of certificate of occupancy.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Fiscal Impact of Existing Uses (Baseline Analysis)

In order to quantify the fiscal impact of the existing apartment complex, the same revenue and cost methodology is applied to the existing land use program. The site currently is occupied by 160 rent-stabilized housing units. The existing housing has a neutral fiscal impact, with estimated revenues that are equal to estimated costs attributable to the site.

Revenue/ Expense Category	Baseline
General Fund Revenues	
Property Tax	\$117,000
Property Tax In-Lieu of VLF	\$49,000
Sales Tax	\$2,000
Franchise Fees	\$13,000
Utility Users Tax	\$19,000
Licenses, Fees, and Permits ¹	\$74,000
Total Revenues	\$273,000
General Fund Expenditures	
General Government	\$48,000
Community Development	\$21,000
Public Works	\$47,000
Police	\$147,000
Other	\$9,000
Total Expenditures	\$273,000
ANNUAL FISCAL IMPACT ON GENERAL FUND	\$0

[1] Fiscal impact estimates are presented as an annual number at stabilization (by Year 3). Additional revenues as a result of Measure O start Year 11; see Table 14 for yearly fiscal impact schedule.

Net Fiscal Impact

The Euclid Improvements project will result in an annual net fiscal benefit to the City of East Palo Alto General Fund beginning in year 1. This analysis estimates that the net annual fiscal impact of the proposed project on the City’s General Fund is approximately \$907,000 at project stabilization (year 3). After Measure O revenue commences in year 11, the project’s estimated net fiscal impact increases to \$1.18 million per year. The cumulative net impact of the project is estimated at \$1.8 million in year three, \$9.3 million in year 11, and over \$19.9 million in year 20, as shown under “Baseline v. Project Comparison” in **Table 15**.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Other Fiscal Benefits

One-time development impact fees paid by the project developer could total roughly \$6.83 million. The City of East Palo Alto currently charges development impact fees including a (1) Parks and Trails fee, (2) Public Facilities fee, (3) Storm Drainage fee, (4) Transportation Infrastructure fee, and (5) Water Capacity Fee. Estimate assumes applicant is not required to pay the City's Residential Impact fee. Based on the City's most recent fee schedule (effective July 2019), the total development impact fees are estimated at \$15,400 per unit.⁴ Assuming that Woodland Park Communities pays impact fees on the net new units delivered by the project, roughly \$6.8 million would be generated for City capital improvement programs, as shown in **Table 14**.

In addition, the applicant anticipates significant contributions to local infrastructure, including approximately \$10 million for sanitary and sewer and at least \$5 million for municipal water tank improvements. Furthermore, over \$1 million in impact fees is likely to be generated for the Sequoia and Ravenswood school districts.

Table 13 One-Time Development Impact Fees

Development Impact Fees	Estimated One-Time Payment
Parks and Trails	\$1,271,000
Public Facilities	\$2,229,000
Storm Drainage	\$273,000
Transportation Infrastructure	\$827,000
Water Capacity Fee	<u>\$2,231,000</u>
Total	\$6,831,000
<i>Total Fee per unit</i>	<i>\$15,400</i>

Source: City of East Palo Alto, as of August 17, 2020

⁴ City of East Palo Alto City-wide Development Impact Fee Program, Community and Economic Development Department, Engineering Division

Table 14 Net Fiscal Impact Schedule Years 1-20

Year	Baseline			Project				Baseline v. Project Comparison		
	Percent Stabilized ¹	Total Fiscal Impact	Cumulative	Percent Stabilized ¹	Fiscal Impact	w/ Measure O Revenues	Total Fiscal Impact	Cumulative	Net Annual Fiscal Impact	Net Cumulative Fiscal Impact
1	100%	\$0	\$0	33%	\$299,310	\$0	\$299,310	\$299,310	\$299,310	\$299,310
2	100%	\$0	\$0	67%	\$607,690	\$0	\$607,690	\$907,000	\$607,690	\$907,000
3	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$1,814,000	\$907,000	\$1,814,000
4	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$2,721,000	\$907,000	\$2,721,000
5	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$3,628,000	\$907,000	\$3,628,000
6	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$4,535,000	\$907,000	\$4,535,000
7	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$5,442,000	\$907,000	\$5,442,000
8	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$6,349,000	\$907,000	\$6,349,000
9	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$7,256,000	\$907,000	\$7,256,000
10	100%	\$0	\$0	100%	\$907,000	\$0	\$907,000	\$8,163,000	\$907,000	\$8,163,000
11	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$9,339,754	\$1,176,754	\$9,339,754
12	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$10,516,508	\$1,176,754	\$10,516,508
13	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$11,693,262	\$1,176,754	\$11,693,262
14	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$12,870,017	\$1,176,754	\$12,870,017
15	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$14,046,771	\$1,176,754	\$14,046,771
16	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$15,223,525	\$1,176,754	\$15,223,525
17	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$16,400,279	\$1,176,754	\$16,400,279
18	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$17,577,033	\$1,176,754	\$17,577,033
19	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$18,753,787	\$1,176,754	\$18,753,787
20	100%	\$0	\$0	100%	\$907,000	\$269,754	\$1,176,754	\$19,930,542	\$1,176,754	\$19,930,542

[1] Net fiscal impact accounts for 5% residential vacancy.

Source: Economic & Planning Systems

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Economic Impact Analysis

This section evaluates the proposed project's ongoing economic impact in the local economy using project data and the IMPLAN "Input/Output" (I/O) model of the local economy.⁵ The economic impacts calculated here are those that can be directly linked to proposed project operational expenditures and retail sales attributable to the proposed project. Using IMPLAN, local expenditures are analyzed to determine associated economic metrics such as direct employment, employee compensation, and value added (a metric comparable to GDP) supported by the project. The economic impact analysis also evaluates indirect and induced economic impacts, which are "multiplier" or "ripple" effects in the local economy.

Framework and Approach

I/O analysis is premised on the concept that industries in a geographic region are interdependent and thus the total contribution of any one establishment's activity is larger than its individual (direct) output and/or employment. Consequently, an establishment's economic activity has a "multiplier" effect that generates successive rounds of spending and output in other economic sectors within a particular region. For example, consider the implications of operating expenditures made by a property manager. Building operations stimulate purchases of goods and services, who in turn purchase raw materials from suppliers. Thus, an increase/decrease in the demand for these goods and services will generate an increase/decrease in output and employment in the interdependent secondary industries.

Regional economic impact analysis and I/O models in particular provide a means to quantify economic effects stemming from a particular industry or economic activity. Specifically, I/O models produce quantitative estimates of the magnitude of regional economic activity resulting from some initial activity, in this case spending on apartment management activities and retail. I/O models rely on economic multipliers that mathematically represent the relationship between this initial change in one sector of the economy and the effect of that change on economic output, employment, and income in other industries. These economic data provide a quantitative estimate of the magnitude of shifts in jobs and revenues within a regional or state economy.

The initial revenue injections into the economy from the project are referred to as the direct effect. The I/O model quantifies the impacts associated with the ripple or multiplier effects that result from this initial round of spending. The ripple effects are categorized as indirect or induced effects. Indirect effects represent economic impacts on suppliers while induced effects represent economic impacts on household income and spending. In this report, direct, indirect, and induced effects are defined as follows:

- The **Direct Effect** is a measure of the economic value of the initial injection of spending into the economy, including one-time construction spending and recurring expenditures to operate the project.

⁵ IMPLAN is an Input-Output modeling system (software and data) developed by the Minnesota IMPLAN Group, and is widely used in the U.S. for estimating economic impacts across a wide array of industries and economic settings. IMPLAN draws upon data collected from several state and federal sources, including the Bureau of Economic Analysis, Bureau of Labor Statistics, and the Census Bureau. For the purposes of this economic impact analysis the "local" economy is defined as San Mateo County.

- The **Indirect Effect** is a measure of the economic value of “upstream” industry-to-industry transactions that supply inputs to the production of goods and services consumed by the new project.
- The **Induced Effect** is a measure of the economic value of labor income that re-circulates in the economy as a result of the initial revenue made by the project. This would relate to the spending of the project’s employees.
- The **Total Impact** is the sum of the direct, indirect, and induced effects. The total impact measures the overall impact of the project’s activities on the economy.

This report measures economic significance using common economic metrics, including employment, employee compensation, output, and value added, as defined below.

- **Employment** is equivalent to jobs, a headcount that includes part-time and full-time workers.
- **Employee Compensation** represents payments to labor in the form of both income and fringe benefits paid by the employer (e.g., health, retirement), as well as proprietor income.
- **Value Added** represents a contribution to gross regional product and equals the market value of the final goods and services produced within a particular region. Value added is equal to economic output less the value of intermediate goods and services.
- **Economic Output** represents a measure of economic activity, calculated as production value including intermediate inputs (i.e., the goods and services used in the production of final products). Output includes spending on employee compensation as well as the production value of each intermediate input, such as equipment, supplies, insurance, rents, utilities, communication

One-Time Economic Impacts from Project Construction

The construction of the proposed project will directly support approximately 1,500 job-years of employment with employee compensation (including benefits) of over \$90,000 per year. The average number of jobs supported by the project each year depends on the construction timeline. If the entire project is developed in over a three-year period, the project would support an average of about 500 jobs during each of the years of construction activity.

Total economic impacts reflect an input/output analysis based on current San Mateo County economic data. The total one-time economic impact of project construction, including direct effects and indirect/induced multiplier effects, is estimated at about \$459 million. The project could support over 2,300 job-years in San Mateo County during the construction period.

Table 15 One-Time Economic Impact for Construction Activity

Impact Type	Jobs	Employee Compensation	Value Added ¹	Total Output
Direct Effect	1,500	\$139,135,000	\$188,611,000	\$320,000,000
Indirect Effect	450	\$33,047,000	\$49,056,000	\$71,412,000
Induced Effect	400	\$26,385,000	\$45,924,000	\$67,424,000
Total Effect	2,350	\$198,567,000	\$283,591,000	\$458,836,000

[1] Comparable to gross domestic product (GDP).
 Sources: IMPLAN; Economic & Planning Systems, Inc.

Recurring Economic Impacts from Project Operations

Building operations, including administration and maintenance, is anticipated to cost approximately \$5.7 million per year. This estimate derives from the current operating budget for Woodland Park overall, with a per-unit budget derived and applied to the 605 units in the proposed program. In addition, the project is responsible for about \$2.3 million in retail spending within the City of East Palo Alto. After accounting for sales leakage from the local economy (e.g., taxes, goods sold locally but produced elsewhere), this analysis estimates that the proposed project will directly support approximately \$6.3 million in economic output and 99 direct jobs locally. Including indirect and induced effects, the project will support approximately \$9.6 million in economic activity annually. After accounting for the economic significance of the existing uses on site, the net effect of the proposed project is about \$6.7 million per year, with over 80 jobs added in the local economy. **Table 17** presents estimated recurring annual economic impacts attributable to the proposed project.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

Table 16 Annual Economic Impact at Project Buildout

Impact Type	Jobs	Employee Compensation	Value Added ¹	Total Output
Direct Effect	99	\$4,675,000	\$7,650,000	\$6,266,000
Indirect Effect	7	\$565,000	\$866,000	\$1,274,000
Induced Effect	12	\$807,000	\$1,404,000	\$2,063,000
Total Economic Impact	119	\$6,047,000	\$9,920,000	\$9,603,000
Baseline	37	\$1,885,000	\$3,092,000	\$2,925,000
Net Economic Impact	82	\$4,162,000	\$6,828,000	\$6,678,000

[1] Comparable to gross domestic product (GDP).
 Sources: IMPLAN; Economic & Planning Systems, Inc.

Employment Opportunities for Local Residents

The proposed project will create new job opportunities in a range of industries that already are present in the local economy and in occupations that span the full spectrum of educational and professional requirements. By adding to the City of East Palo Alto’s housing stock and enhancing local retail, the proposed project supports marginal growth in already well-developed economic sectors. Accordingly, the local economy is well equipped to provide the necessary direct and indirect inputs to supply, including services from vendors and new employees. Furthermore, the industries that are positively impacted by the project require employment in an array of occupations that support a diversity of employee qualifications, with typical entry-level educations ranging from no high school diploma (e.g., landscaping jobs) to some college (e.g., bookkeeping jobs). In addition, these occupations also provide opportunities for advanced members of the labor force, with occupations in property management and real estate providing noteworthy opportunities for college graduates and those with advanced degrees.

Overall, the job opportunities created by the proposed project appear well aligned with the educational characteristics of workers residing in East Palo Alto, where over 32 percent of working residents do not have a high school degree but nearly 20 percent have a college or higher degree. **Table 18** presents a selection of key occupations that will be supported by the project and the educational attainment of workers in each. In this table, the typical entry-level education for each occupation is denoted with a box. **Table 19** presents the educational attainment of working residents in East Palo Alto. Generally consistent with the educational attainment distribution in the city, the key occupations needed to support the proposed project require a range of workers types, including those with minimal educational attainment as well as those with various educational degrees.

Attachment: Fiscal Impact Analysis (2406 : Woodland Park Euclid Improvements)

**Table 17 Distribution of Educational Attainment for Selected Representative Occupations Related to the Project
(Percent of Workers in Occupation, National)**

Selected Representative Occupations ^{1 2}	Less than High School Diploma	High School Diploma or Equivalent	Some College, No Degree	Associate's Degree	Bachelor's Degree	Master's Degree or Greater
Property, real estate, and community association managers	4.6	18.6	25.5	9.0	31.2	11.1
Real estate sales agents	1.4	12.7	26.6	10.1	37.5	11.6
Bookkeeping, accounting, and auditing clerks	3.5	27.7	38.8	10.6	16.4	3.1
Building cleaning workers	24.9	43.7	19.2	5.9	5.0	1.1
Landscaping and groundskeeping workers	37.9	35.4	14.6	4.4	6.7	1.1
First-line supervisors of retail sales workers	4.6	29.5	25.7	13.4	21.1	5.7
Retail salespersons	6.9	29.1	27.6	10.2	21.6	4.7
Maintenance and repair workers	12.4	42.7	26.5	11.4	6.1	0.8

[1] National average educational attainment for workers 25 years and older by detailed occupation, 2016-2017 (BLS).

[2] Boxed section for each occupation represents typical educational attainment for an entry-level position (BLS).

Source: Bureau of Labor Statistics; Economic & Planning Systems, Inc.

Table 18 Educational Attainment in East Palo Alto

Educational Attainment	Percent of Total¹
Less than 9th grade	22%
9th to 12th grade, no diploma	10%
High school graduate (includes equivalency)	27%
Some college, no degree	19%
Associate's degree	4%
Bachelor's degree	11%
Graduate or professional degree	7%

[1] Educational attainment for workers 25 years and older in East Palo Alto.

Source: ACS 2013-2017 5-Year Estimates; Economic & Planning Systems, Inc.

5. Community Impact Report and Fiscal Impact Analysis

The Westside Area Plan Policy 5.5 requests information from applicants who propose to increase density. The requested information includes a community impact report that details how the proposal will satisfy the prerequisites for increases in intensity or change in use in Policy 5.3 as well as a fiscal impact analysis.

Economic and Planning Systems, Inc. (EPS) was engaged to perform a Fiscal and Economic Impact Analysis, which can be found on page 43.

Community Impact Report – Satisfying the Community Requirements in Westside Area Plan Policy 5.3

The below Community Impact Report explains how the Euclid Improvements will satisfy the prerequisites in Westside Area Plan Policy 5.3.

Prevents Displacement of Existing Residents

For more than three years, we have worked closely with our tenants, neighbors, community groups, city staff, and local officials to get to know the neighborhood and the community. The knowledge gained from our experiences and interactions, together with the Westside Area Plan, led us to develop a total of five “Core Principles,” around which the Euclid Improvements are being designed. The top core principle, first and foremost, is No Displacement.

We are firmly committed to preventing displacement and have developed a comprehensive strategy for ensuring that all existing tenants will always be able to stay at Woodland Park and can return to newly constructed replacement units at their same rent-stabilized rents. Prevention of displacement is so important that we did not want to wait until final entitlements to propose a plan and make commitments to our tenants and the community. Rather, it was and is our first priority.

To that end, we developed and began a robust community engagement process to understand our tenants’ needs and hopes. Through that process, we learned a lot about what our affected tenants need in order to remain in the neighborhood and return to a newly constructed apartment in the Euclid Improvements. We have designed a relocation process that reflects what we learned from the community and prevents displacement of existing residents.

Woodland Park Communities has developed, in collaboration with tenants and the community, unilateral “Relocation Commitments” that we promise to fulfill during the relocation process. We have met with the affected tenants, the broader community, and local organizations to develop, discuss, and revise the Relocation Commitments. We have also made presentations to, answered questions from, and received feedback from the City of East Palo Alto’s Planning Commission, Rent Stabilization Board, and City Council.

Woodland Park Communities anticipates that these Relocation Commitments will serve as the “term sheet” from which a more detailed “Relocation Plan” will be drafted in the future, and approved by the City Council pursuant to the Westside Area Plan Policy 5.10.

The Relocation Commitments are included in their entirety in the Tenant Protection and Community Housing Preservation Plan, in Section 4 above. In general, affected tenants will be moved to an available

replacement apartment of their choosing within the Westside neighborhood during construction. After construction, affected tenants will have the right of return into a newly constructed apartment in the Euclid Improvements. Throughout, they will pay the same rent they otherwise would if nothing happened. More specifically, the commitments ensure the following:

1. Rent level: Affected tenants will pay the same rent they otherwise would if nothing happened – there will be no rent increases (except as normally determined by the Rent Board). Each tenant will get an apartment with the same number of bedrooms. Each tenant’s original security deposit amount will remain the same and be transferred to the new apartment. Everyone currently pays for utilities and will continue to pay for utilities. In the event that a tenant’s utility bill increased substantially due to a change in utility metering, Woodland Park Communities would work with the tenant to reduce the tenant’s overall monthly costs to a similar level they would have been if nothing happened.
2. Moving: Woodland Park will pay for and arrange tenants’ moves between Woodland Park apartments. The services of a licensed mover will be provided at no cost to tenants. The licensed mover will be insured and will use its own boxes to pack and move all of the tenants’ belongings. We will provide dumpsters in which to discard any furniture or other belongings that affected tenants no longer need. Tenants will need to transfer any utilities that are in their names and change their addresses as necessary.
3. Communications: We will continue to hold meetings and invite affected tenants. We will continue to communicate information by hand-delivering notifications to each apartment. If possible, we may also communicate with tenants via mail, text message, phone and/or email. Affected tenants will need to provide us with up-to-date contact information if they wish to receive text messages, phone messages, or emails.
4. Collaboration: We will continue to work with affected tenants and community stakeholders to make the relocation process as smooth and convenient as possible, and to achieve our goal of no displacement. We will seek input and approval from City Council about our relocation plans.

These are our promises to the affected tenants and the community. We will prevent displacement by providing replacement housing in the neighborhood, giving a first right of return to newly constructed units, and keeping affected tenants’ housing costs stable. We intend that all affected tenants will stay in the neighborhood and the community without displacement.

Looking ahead, we anticipate that a detailed Relocation Plan will go to City Council for approval along with the proposal for the Euclid Improvements later in the process. Our Relocation Commitments will be the foundation of that plan; they are our promises and guarantees that reinforce our commitment to No Displacement. There is additional information about the Relocation Commitments and relocation in general in the Tenant Protection and Community Housing Preservation Plan above.

Provides for some income-restricted affordable housing

Woodland Park provides for some affordable housing in a number of ways. First, Woodland Park Communities pays and will continue to pay Measure O taxes, which were adopted by the voters of East Palo Alto for the purpose of increasing affordable housing. Woodland Park Communities pays the largest share of Measure O taxes in the City. This currently comes to about \$450,000 each year, increasing over

time, in perpetuity. The Measure O payments will eventually increase to account for the new Euclid Improvements. The Fiscal and Economic Impact Analysis indicates that when the Euclid Improvements are subject to the Measure O tax, they will pay an additional \$350,000 per year. This steady income stream allows the City to build new income-restricted affordable housing and otherwise meet its affordable housing goals.

Second, Woodland Park Communities is proposing deed-restricted rent-controlled housing to preserve housing affordability and stability. Despite California state law which says that new buildings cannot have rent control, we will voluntarily deed-restrict 26% of the total units, replacing all existing rent-controlled units one-for-one, to continue to sustain the Rent Stabilization Program, ensure housing stability for future tenants, and lock-in the below-market rents of our existing tenants.

Rent control meets important and otherwise unmet affordable housing needs in the City of East Palo Alto. It is the only form of housing affordability that favors long-term residents with deeper affordability than newcomers. Any tenant who has lived in a unit for more than a year pays below market rent. And unlike income-restricted affordable housing, there are no qualifications based on income, wealth, immigration status, or household composition. Rather, rent control provides a flexible, cost-effective, scalable form of affordable housing that has been particularly valuable and enduring in East Palo Alto for decades. Rent control provides a valuable source of workforce housing.

Woodland Park's rent-controlled housing will be privately funded; Woodland Park Communities will not seek tax credits or any other type of public funding for this affordable housing. The City will be receiving affordable housing without using any of its resources or other governmental resources from the state or federal government to create this new housing. Using this rent control-focused approach, the Euclid Improvements will not compete for tax credits with other income-restricted affordable housing projects proposed in East Palo Alto, such as the Light Tree Apartments or 965 Weeks Street. Woodland Park Communities' privately funded approach saves the public resources for other affordable housing projects to leverage.

Preserves "Right of Return" for Existing Residents

Woodland Park Communities preserves the right of return for affected residents. We have committed to the right of return in the Relocation Commitments, which are explained in greater detail in the Tenant Protection and Community Housing Preservation Plan.

The Relocation Commitments promise that tenants in the Euclid Improvement Area as of December 2018, when the Euclid Improvements were announced, who have continued their tenancy in a replacement apartment without interruption, have a right of return into the Euclid Improvement Area after the Euclid Improvements are constructed.

We anticipate that all of the affected tenants will be eligible for a right of return. We commit to work with tenants who have not met one or more of the requirements of their tenancies or their right of return to give such tenants an opportunity to fix any issue(s) so they can meet the requirements and exercise their right of return.

No affected tenant will be required to exercise their right of return. Affected tenants will have the choice to permanently stay in their replacement apartment if they want.

For tenants who choose to exercise their right of return, Woodland Park Communities will offer a newly-constructed apartment with the same number of bedrooms. The new apartments will be in brand-new condition and they will be offered on a first-come, first-served basis within the Euclid Improvement Area. Although Woodland Park can guarantee an apartment with the same number of bedrooms, we cannot guarantee the availability of any particular apartment or location. Each affected tenant will have the same number of parking spaces associated with the right of return apartment as they have currently have under their existing lease.

Maintains the City’s Rent Stabilization Program

The Euclid Improvements will help maintain and sustain the City’s Rent Stabilization Program. Woodland Park Communities is the largest single source of funds of the Rent Stabilization Program, paying nearly \$400,000 per year in annual registration fees. Woodland Park Communities complies with the Rent Stabilization Ordinance and works collaboratively with the Rent Stabilization in the operation and management of the 1,800+ existing rent-controlled units on Woodland Park property.

Woodland Park Communities respects that the City’s Rent Stabilization Program has been a defining attribute of the City since its incorporation more than thirty-five years ago. Going forward, Woodland Park Communities’ proposal ensures the ongoing viability of the Rent Stabilization Program. The Rent Stabilization Program is currently funded by annual registration fees paid on a per-unit basis for each rent-stabilized unit in the City. These funds sustain a staffing level of two full-time employees to meet the programming and operational needs of the Rent Stabilization Program.

Woodland Park Communities’ proposal to replace every rent-controlled unit on a one-for-one basis will ensure the ongoing viability of the Rent Stabilization Program. The number of rent-stabilized units will remain the same, meaning that the Rent Stabilization Program’s jurisdiction and funding level will remain the same. By maintaining the scope of the program and its funding source, the Euclid Improvements proposal will protect the program from either attrition among rent-controlled units or erosion of funding. The Rent Stabilization Program should be able to maintain its existing level of staffing and its existing level of administrative and programming work.

Includes New Parks and Open Spaces or Contributes to the Provision of New Parks and Open Space if It is a Single Project

The Euclid Improvements include a new park and new open spaces. We are proposing approximately one acre of new public open space, including a neighborhood park at the corner of Euclid Avenue and O’Connor Street. This new neighborhood park will be the first permanent park on the Westside of East Palo Alto and will be designed for flexible uses, so that it can host a wide variety of activities including kids play, adult fitness, and social space for parties.

The park will be oriented to connect with a large community space in the adjacent building that will facilitate access to both the park and the building. Beyond the community space, we are proposing flexible and appropriately sized spaces for neighborhood-serving retail activities. We anticipate that these would include locally focused options like a convenience store, café, clinic, or pharmacy.

Woodland Park Communities is also proposing flexible public spaces along the street frontage of Euclid, between O’Connor and East O’Keefe. These public use spaces can be used for different activities at different times. For example, they might be used for parking during high parking demand hours or they may be

closed to parking during community events, creating more open space and places for the community to gather.

Together, the new permanent park at the corner and the community space, retail space, and flexible public spaces will form new gathering spaces for tenants, neighbors, and the community. We believe that these connected public spaces will allow people to strengthen community relationships, spend more time together and outdoors, and strengthen the feeling of “place” on the Westside.

There will also be other open spaces in the Euclid Improvements, including a pet area, pedestrian plazas, bike parking, walkways, lobbies, and green street frontages. Finally, there will be some private open space such as balconies.

Improves Streets and Infrastructure or Contributes to the Provision of New Streets and Infrastructure if it is a Single Project

Based on what we have learned from the community and the Westside Area Plan, a core principle guiding the design of the Euclid Improvements is “Better Parking and Mobility.” Woodland Park Communities often hears about tenants’ desire for better parking and more options for getting around. The Euclid Improvements will include better parking and mobility options, as well as improved options for walking, biking, and transit wherever possible. These improvements include upgrades of the streets and the infrastructure.

We have heard that tenants and neighbors often find traffic and parking challenging, and alternative transit options tend to be limited and often not convenient. In response, we are proposing a number of street and infrastructure improvements. On the streets, we will not only improve the physical street infrastructure on the pavement and sidewalks, but we will add pedestrian and bike safety features. We propose significantly more and safer street parking, with fewer cut-outs for driveways and new angled parking. Woodland Park Communities also proposes drop-off zones at building entries.

The Euclid Improvements also include better transportation infrastructure. Woodland Park Communities has already improved the school bus stop at the corner of Euclid and O’Connor to make it safer for children and more pleasant for caregivers. Woodland Park Communities now proposes a new sheltered bus stop and bike parking, also at the corner of Euclid and O’Connor. We are working with SamTrans and other local transit providers to discuss expanded or improved routes to better serve the neighborhood.

Woodland Park Communities is also proposing to improve parking infrastructure. We are seeking parking agreements with local property owners that have surplus parking. We are increasing off-street parking with a central garage that will increase the parking ratio from its current level. We also propose to work with the City to increase on-street parking through better, safer use of the existing on-street space.

Finally, Woodland Park Communities will work with the City to perform a full traffic study as part of an Environmental Impact Report. We will then implement a Transportation Demand Management (TDM) Plan with a variety of transportation options.

Improves the Fiscal Health of the City

The Euclid Improvements will improve the fiscal health of the City. Woodland Park Communities is including a Fiscal and Economic Impact Analysis conducted by Economic and Planning Systems, Inc. as part of the application package. This analysis shows that the Euclid Improvements will have a net positive fiscal and economic impact on the City, thereby improving the fiscal health of the City.

According to the analysis, the Euclid Improvements will result in a net fiscal benefit to the City's general fund of about \$1.04 million per year, increasing to about \$1.33 million per year in the future. Over a 20-year time horizon, the Euclid Improvements are expected to generate a cumulative net positive fiscal impact of about \$23 million. Moreover, the one-time development impact fees paid by Woodland Park could total about \$15 million for City capital improvement programs. Finally, construction of the project will directly support roughly 1,500 job years in the local economy, creating direct and indirect local investment of over \$460 million. The property operations will support new jobs and generate local economic demand creating \$6.7 million in net new spending per year.

More information and analysis can be found in the Fiscal and Economic Impact Analysis.

Beautifies the Area

The Euclid Improvements will improve the appearance of the neighborhood, while preserving its character. The existing neighborhood houses a vibrant community of people who live in housing that is between 50 and more than 100 years old. Many of these structures are at the end of their useful lives. They were built inexpensively to old standards. Each parcel was developed at a different time, under different zoning rules, by different developers who had different visions. Many if not all of the properties were developed before the City was incorporated, so the City did not have the opportunity to influence the design or development envelopes of the properties. The buildings and surrounding land were not always cared for by previous owners.

The Euclid Improvements are being designed to the highest architectural and landscape standards with special attention to the public realm. Woodland Park Communities has selected an award-winning design team that has experience in East Palo Alto, including David Baker Architects, which is working on 965 Weeks Street, and Hood Design Landscape Architects, which designed Cooley Landing. The design will improve the quality and aesthetic appeal of the site with high quality architecture, materials, and pedestrian-oriented facades, while remaining rooted in the existing community character.

There will be an active and vibrant streetscape that ties the Euclid Improvements to its surrounding and welcomes the neighbors into the site. The new park and exterior open spaces are being designed by landscape architects to not only integrate into the existing neighborhood context, but to also engage and be reflective of the existing local community. The buildings are designed to be beautiful, safe, fit into the local context, and comfortable for the tenants, visitors, and neighbors. The project plans and renderings in the application materials illustrate the high level to which beautiful spaces and views have been considered as a core part of the design. The beautiful buildings will fit within the neighborhood context.

We believe that with these design features, the Euclid Improvements will beautify the area, benefitting the entire community. And with our tenant protection efforts, we're working to make sure that in particular, the existing tenants will be able to stay and enjoy this becoming an even nicer place to live.

6. Community Involvement Strategy

Date: September 18, 2019

To: Mike Kramer (Woodland Park Communities)

From: Liz Ogbu (Studio O) and Emily Weinstein (Emily Weinstein Consulting)

Subject: Community Involvement Strategy Report

Introduction

Just over three years ago, Woodland Park Communities, an affiliate of Sand Hill Property Company, acquired the Woodland Park Apartments in East Palo Alto. As a local, family owned business with a long-term approach, they are committed to the East Palo Alto community and increasing the quality of life for their tenants. As part of this commitment, in 2017, Woodland Park Communities engaged two social impact firms, Studio O and Emily Weinstein Consulting to provide ongoing strategic guidance.

Woodland Park Communities has a deep understanding of the history of the Westside of East Palo Alto and the harmful legacy of the previous property owners. Working with Studio O and Emily Weinstein Consulting (refer to page 78 for more specific information about the team), they have committed to helping rebuild the trust of their tenants by listening and responding to tenants' needs and launching new community building efforts. As Woodland Park Communities determined there was a need to improve housing and replace certain buildings, this commitment extended to engaging in a community informed planning process for both short- and long-term property improvements, including committing to a No Displacement approach.

This report details our approach to community engagement and the community involvement strategy from 2017 to now, including the strategy around the Euclid Improvements. Specific data around the type of engagement efforts and the number of participants in these efforts can be found on page 74. We and Woodland Park Communities expect to continue the robust community involvement strategy into the future.

Community Engagement Approach at Woodland Park

We know that community engagement tends to have limited effectiveness when it is done as short-term community outreach. Our work with Woodland Park Communities has been rooted in a commitment to relational – as opposed to transactional – outreach rooted in the creation of long-term partnerships with Woodland Park tenants and East Palo Alto residents and organizations. We believe that this is critical to ensuring meaningful improvements to the quality of life on the Westside. This commitment is not just for the sake of the Euclid Improvements application; it is something that Woodland Park Communities has prioritized since they acquired the property and that we have been working to support on an ongoing basis.

Led by Liz Ogbu and Emily Weinstein and a team of full time, bilingual community engagement staff located on the site, the Woodland Park community engagement approach takes into account the following fundamental principles:

- Listen
- Repair community relationships
- Foster trust
- Create opportunities for community building
- Engage around community informed plans

Listen

In the winter of 2017, Woodland Park Communities embarked on a series of tenant listening sessions. These listening sessions, of approximately 10-15 tenants provided an opportunity for Woodland Park Communities to learn more about its tenants, their daily habits, their aspirations and their needs in a small group setting. In total, the community engagement staff met with nearly 150 tenants over a three-month period.

In response to the success of the listening sessions, Woodland Park Communities launched monthly “cafecitos,” small morning or afternoon get togethers located in key gathering areas on site. People gather to meet over light refreshments with the Community Engagement Manager to share their ideas and concerns for the property, and learn more about what is happening on site. These monthly gatherings help create an open dialogue between tenants, property management and Woodland Park Communities.

In an effort to continue to listen to tenants and better understand how to respond to their needs, Woodland Park Communities hosts regular community dinners, focused on specific themes such as safety, public spaces, youth and family programming, the future of the Westside, etc. At all the community dinners participants divide up into facilitated discussion groups to ensure collaboration and authentic conversations. It also enables the opportunity for a broader diversity of voices to be heard. We understand that people have different preferences in how to best express their thoughts, so feedback is captured through a variety of tools including comment cards, interactive activities, dot voting, post-its and facilitation guides.

Repair Community Relationships

Based on input from tenants it became clear that the relationship between property management and the tenants was strained in part by a lack of cultural competency and sensitivity around language and cultural needs. As a result, Woodland Park Communities hired new Spanish speaking management staff as well as a new security company with bilingual security guards. The change to bilingual staff has allowed property management to be more responsive to tenants needs and create a more welcoming environment for tenants. The change to a bilingual security company has provided a safer environment for tenants.

In addition to improved on-site relationships, Woodland Park Communities has prioritized forging strong relationships with East Palo Alto-based organizations to improve access to programs and services on the Westside and to improve relationships between property ownership and important community institutions. Our team has worked with Woodland Park Communities to provide on-site programs in

partnership with community organizations, including the East Palo Alto Family YMCA, EPACENTER Arts, Fresh Approach, the East Palo Alto branch of the San Mateo County Libraries, and the Peninsula Humane Society and SPCA. To further support this work, the Woodland Park Communities Foundation was created. It is dedicated to funding local non-profit organizations. To date, the Foundation has given more than 30 grants to local organizations and events.

Foster Trust

Fostering a sense of trust between Woodland Park Communities and the tenants is crucial given the historical tension between the community and previous property owners, and tenants' concerns about housing affordability and gentrification. From the beginning, Woodland Park Communities has been clear about their commitment to **No Displacement** and backed up this commitment by communicating regularly and consistently and putting everything in writing. We've supported Woodland Park Communities in creating a variety of communication materials in Spanish and English including a quarterly newsletter, Frequently Asked Questions, Relocation Commitments for the Euclid Improvements, and Project Handouts.

Additionally, Woodland Park Communities has created Core Principles based on feedback from the engagement process. These principles are intended to respond to the community's fears around real estate development and ensure that the commitments are well understood by the community. The Core Principles have been emphasized in all written materials:

1. No Displacement
2. Preserve Housing Affordability + Stability*
3. Community Informed Plan
4. Better Parking and Mobility
5. Safer, Healthier Buildings

*This is a new core principle that we've added in Summer 2019 based on community feedback during the Pre-Application process.

Create Opportunities for Community Building

A key component of fostering a healthy community is community building. A connected community is a stronger community. And early conversations with tenants revealed a strong desire for more places in which people could come together. Woodland Park Communities has understood that it has an important role to play in providing opportunities for community to come together, and so an important part of the community involvement strategy has been to come up with and implement events and spaces in which that could occur.

From early in its tenure, Woodland Park Communities has hosted events regularly throughout the property. In particular, it has utilized a large site at Newell Street and West Bayshore Road to host quarterly free events for tenants, from Fall Harvest Festivals to an annual Back-to-School event. Additional events/activities including holiday celebrations, summer kick-offs, community resource fairs, and monthly bookmobile visits have been part of the amenities that Woodland Park Communities, led by the Community Engagement Team, has put in place.

In addition to particular activities, shaping temporary spaces that can support community building has also been an important part of the community involvement strategy. There is no park on the Westside of East Palo Alto. What's more, other spaces that could help foster healthy living and safe play are located on the east side of the City. Early engagement activities like the Listening Sessions revealed that many tenants desired places to be healthy and active, gather with family and friends, and know that their children could play safely, all that were closer to their homes.

Together with Woodland Park Communities, we identified two underdeveloped spaces that could be converted into temporary popup community spaces. These two sites were co-designed with tenants through interactive activities across several community dinners and events. Since their opening, Boom Pop Park (corner of Donohoe Street and West Bayshore Boulevard; opened September 2018) and Bridge Pop Park (corner of Newell Street and West Bayshore Road; opened August 2019) have been wildly successful. They have also become staging grounds, along with the Cabana on Newell, for a similarly successful partnership with the YMCA, which provides classes at no cost to participants in yoga, Zumba, and boot camp at the sites 5 times a week. In short, there are now places close to tenants' homes in which to play safely, exercise, and gather.

Engage around community informed plans

The Woodland Park buildings are between 50 and over 100 years old. Though Woodland Park Communities has been making incremental improvements, it has become clear that maintenance and small-scale improvements alone won't be enough to keep up the buildings and the shared spaces at the high quality that the community deserves. In Summer 2018, Woodland Park Communities began a process of exploring the redevelopment of buildings known as the Euclid Improvements. Since then, our team has helped to establish a dialog between Woodland Park Communities and the Improvement Area tenants, the broader Woodland Park community, and other local stakeholders that focused in particular on a review and discussion of the Westside Area Plan, the development and fulfillment of Core Principles for the project, and key components for the Euclid Improvements. Throughout this process and moving forward, the hope is to make improvements in a way that improves the quality of life for the Improvement Area tenants, all Woodland Park tenants, and the wider East Palo Alto community.

Working from the Core Principles (noted above) we have worked with the tenants to create a preliminary plan for the Euclid Improvements. The plan has included a process for co-creating Relocation Commitments with tenants living in the Euclid Improvement area and community design meetings to influence the Euclid Improvement program and design. Below is a description of these meetings and the main takeaways.

Co-created Relocation Commitments

As noted earlier, fostering trust has been a critical aspect of the community involvement work. We all know that conversations about redevelopment often trigger fears of displacement. From the beginning, Woodland Park Communities has committed to No Displacement, but it also understands that building trust is an ongoing process. And although a formal relocation plan will be developed and submitted to the City when it comes time for project approval, it was important to start to develop a robust set of relocation commitments now. Therefore, through a series of 4 meetings with Improvement Area tenants, a series of relocation commitments were created, vetted, and refined. (A more detailed breakdown of those

commitments as well as how they were adapted in response to feedback can be found in Section 4 – **Tenant Protection and Community Housing Preservation Plan** on page 20.)

What we heard: Because of previous owners, tenants may be wary to trust our promises about relocation and No Displacement. Additionally, there is a desire to preserve housing affordability and stability, especially for long-time residents.

What we're proposing:

- Created Relocation Commitments with input from Improvement Area Tenants
- Will issue all relocation commitments in writing, signed by the ownership
- Have been and will continue to work with the East Palo Alto Rent Board, City staff, Community Legal Services of East Palo Alto, and other stakeholders
- Relocation Commitment highlights include
 - The right to a replacement apartment at Woodland Park during construction and a right of return to the new apartments
 - Guarantees to pay the same rent that they otherwise would be paying and to receive an apartment with the same number of bedrooms
 - Moves by a qualified, insured moving company fully paid for by Woodland Park
- The complete set of relocation commitments can be viewed at www.nodisplacement.com/commitments/

Community Design meetings

From the time that the Pre-Application process started in January 2019, and building off of the meetings that occurred in Summer 2018, there have been a series of 4 meetings to engage tenants and the broader East Palo Alto community in a discussion of key components of the design. Features of the project that people were most engaged in shaping included the new park, community space and neighborhood retail, better parking and mobility options, and increased safety. All of these elements have been incorporated into the plans being submitted as part of the application. The input provided by the community greatly improved the design elements being proposed. Below are the main takeaways from the community design meetings and the way in which Woodland Park has incorporated feedback:

- Parking & Getting Around

What we heard: Tenants and neighbors often find traffic and parking challenging, and alternate transit options tend to be limited and often not convenient.

How we're responding:

- Planning to work with City to perform full traffic study as part of the Environmental Impact Report
- Will implement a Transportation Demand Management (TDM) Plan with a variety of transportation options, including ride share
- Working with local agencies to improve transit options and include a new bus stop on site
- Making it easier and safer to walk and bike through better street design and amenities
- Seeking parking agreements with local property owners that have surplus parking

- Increasing off-street parking with a central garage, and planning to increase on-street parking in partnership with the City
- Neighborhood Parks and Community Spaces + Retail

What we heard: The neighborhood needs more public spaces, including a park that can host a wide variety of activities from kids' play area and fitness space to a place for tenants to hold parties. There's also a desire for more neighborhood-serving retail.

What we're proposing:

- Including a neighborhood park as part of the Euclid Improvements
- Providing additional multiple use public spaces to allow for spaces to be used for a greater variety of activities at different times
- Providing flexible and appropriately sized spaces for both community and retail activities
- Designing the community space to open out onto the park to provide greater access to both the community space and the park
- Including neighborhood-serving retail space, with locally focused options like a convenience store, cafe, clinic, or pharmacy.

Conclusion and Moving Forward

The result of these efforts has been a deepening of trust between tenants, Woodland Park Communities and property management and a greater understanding of how to improve the quality of life at Woodland Park in way that is community-centered. Specifically, it has resulted in:

- Co-created Relocation Commitments for the Euclid Improvements
- A Euclid Improvement planning application that reflects responses to community input
- Increased family resources and programming on site
- Two temporary pop up parks for the communities' enjoyment
- Ongoing communications and community building opportunities

As noted earlier, Woodland Park Communities views ongoing proactive and deep community engagement as fundamental part of existing in this community. Looking forward, Studio O, Emily Weinstein Consulting, and the community engagement team will continue to support that work by maintaining the system of community partnerships, engagement materials, events and spaces. Plans are underway to create a tenant advisory council to provide another mechanism for Woodland Park Communities and tenants to be in dialogue. Furthermore, as it relates to the Euclid Improvements, there will be additional community design meetings to inform and get additional input about the overall design, additional meetings with Improvement Area tenants to inform and get input about more specific elements of the design and development process, participation in relevant public hearings, and stakeholder meetings with key community, city, and regional stakeholders.

Previous and Ongoing Community Engagement

Since Woodland Park Communities purchased the property, they have prioritized community engagement and frequent tenant communications. Below is a partial list of these efforts:

Staffing

- Hired bilingual community engagement team, including full time on-site Community Engagement Manager, Teresa Morales, in 2017.
- Expanded community engagement team in 2018.
- Hired 5 community “promotoras” who are tenant leaders who assist with communications and outreach

Meetings/Engagement Sessions

- *Town Hall Meetings.* Four (4) meetings in February 2016 to introduce new ownership, hear tenants’ and neighbors’ concerns, and answer questions.
- *Listening Sessions.* Eighteen (18) focused sessions held between October 2017 and January 2018. We heard from 120 adults and 58 youth. The Listening Sessions offered an intimate setting to better understand tenants’ needs, discuss the issues most pressing to tenants, and create a vision for how Woodland Park can best evolve.
- *Cafecitos.* Twenty (20) small morning gatherings for tenants and neighbors to meet over light refreshments with the Community Engagement Manager and review new materials. They are held monthly both on the north and south sides of University Avenue. To date, we have heard from over 140 adults and 65 youth. The series of cafecitos is ongoing.
- *Community Dinners.* Fourteen (14) catered dinners serving over 900 meals between September 2017 and September 2019. These dinners provided an opportunity for tenants to interact with ownership and management, hear updates about the property, and provide input on programming and improvements, including the Euclid Improvements and the Relocation Commitments. Community dinners will continue be an ongoing feature of our community engagement activities.
- *Community Design Meetings.* Six (6) structured meetings to discuss (a) the future of and vision for the Westside; (b) Westside Area Plan priorities; and (c) concerns and comments on the Euclid Improvements. Approximately 250 unique participants and 950 duplicated participants came to these meetings. The community design meetings will continue throughout the lifetime of the project.
- *Euclid improvement Area Tenant Meetings.* Four (4) meetings were held with the tenants that live within the Euclid Improvement Area buildings. The meetings were focused on co-creating relocation commitments that reinforce Woodland Park Communities commitment to No Displacement and provides an overview of the benefits that tenants will receive through the process. Approximately 90 unique participants and 145 duplicated participants came to these meetings,
- *Information Booths:* Prior to the Euclid Improvement Area Tenant Meetings, Woodland Park Communities held Information Booths throughout the Euclid Improvements area. These booths were

advertised in advance and allowed tenants to meet with Mike Kramer and Teresa Morales to ask questions, review materials and provide input. Approximately 45 participants came to the information booths.

Community Events

- *Special Events and Festivities.* Fifteen (15) celebrations commemorating seasonal activities. Our latest events have, on average, attracted between 400-500 participants. Examples of these regular events include the beginning of summer, Back to School, and holiday celebrations. These are times for tenants and neighbors to socialize and get to know each other better. At these events, we also invite community organizations to provide resources to tenants and assist in bringing community services to the Westside.

Partnerships and On-Site Programming

- *Fresh Approach.* We collaborate to install community gardens throughout the neighborhood and provide gardening and healthy food education.
- *East Palo Alto Family YMCA.* We partner on a discounted membership program for Woodland Park tenants, free swimming classes for youth, and free weekly exercise classes on-site, including Yoga, Boot Camp and Zumba. To date over 100 tenants have participated in the Woodland Park sponsored YMCA exercise classes on-site.
- *Ravenswood School District.* We work together to provide access to the Ravenswood schools' online portal in Woodland Park's two computer tech centers, which are available to tenants.

East Palo Alto branch of the San Mateo County Libraries. We coordinate to host the monthly bookmobile on-site and maintain small libraries throughout the neighborhood, host the library's English Conversation Club, and host a Talk, Read, Sing program for young children and their caregivers.

- *Peninsula Humane Society and SPCA.* We host a free summer Animal Camp for Woodland Park youth and provide animal care classes.

Space and Facilities

- *Northside Management Office.* We opened a new tenant services office on the north side of the neighborhood at Euclid Avenue and East O'Keefe Avenue, to provide our tenants north of University Avenue with convenient access to staff to make maintenance and customer service requests or pay rent conveniently.
- *Community Engagement Office.* We opened a new office, staffed by our full-time community engagement team, inviting tenants to discuss any ideas, suggestions, or concerns directly with the ownership team representatives.
- *Free Technology Centers.* We opened two technology centers on-site for use by Woodland Park tenants. The tech centers offer free and accessible computers and printers, and free wi-fi. We have partnered with the Ravenswood City School District to install school software on our computers, so students can work on their homework at the tech centers.

- *Boom Pop Park.* We created a temporary pop-up open space for community enjoyment at Donohoe Street and West Bayshore Road. There is space for gathering, play, and exercise. East Palo Alto YMCA instructors teach free weekly fitness classes every Saturday morning.
- *Bridge Pop Park.* Based on the success of Boom Pop Park, we created a temporary pop-up open space for community engagement at Newell and West Bayshore Road. There is dedicated space for exercise, play, family gatherings and is designed to accommodate our large community events with stalls for community groups and resources. YMCA instructors teach free weekly fitness classes every Saturday morning.
- *Bus Stop Improvements and Neighborhood Benches.* At the location of existing school bus stops, and other selected locations around the neighborhood, we have added improvements to improve the neighborhood quality of life, including new benches and additional trashcans.
- *Little Free Libraries.* To date, we have installed six “Little Free Library” boxes around the neighborhood, where tenants and neighbors can take or leave books in English and Spanish for their enjoyment. We have partnered with the East Palo Alto branch of the San Mateo County Libraries to stock the Little Free Libraries with books for all ages in both English and Spanish.
- *Community Gardening.* We have partnered with Fresh Approach (formerly Collective Roots) to plant garden boxes around the neighborhood with flowers and vegetables for tenants to tend and enjoy.
- *Cabana.* We have offered the use of our on-site “Cabana” off Newell Avenue for select city-related and community events, such as The Primary School’s orientation for Woodland Park parents, East Palo Alto Police Department beat meetings, and a meeting of the Rent Stabilization Board’s Outreach and Education Committee. YMCA instructors teach free weekly fitness classes every Saturday morning and Thursday evening.

Communications

- *Newsletters.* Quarterly newsletters are distributed to all tenants and a range of local and regional stakeholders. They are written in English and Spanish.
- *Euclid Improvement Handouts.* Woodland Park communities has created two Euclid Improvement Handouts with detailed information about the project description, guiding principles, timeline and images. The handouts are in English and Spanish.
- *Frequently Asked Questions.* Throughout the community design process, Woodland Park Communities has been soliciting questions through a variety of engagement strategies and providing written responses in the form of a Frequently Asked Questions document that is provided to all tenants in English and Spanish.
- *Euclid Improvement Area tenant mailings.* In an effort to engage the tenants that will be most impacted by the Euclid Improvements, Woodland Park Communities does regular mailings to the tenants in the area with up to date information, draft documents including the draft Relocation Commitments and announcements.
- *Community dinner and meeting invitations.* All community events, dinners and meetings are advertised through a variety of channels including door to door delivery of branded materials.

Woodland Park Communities Foundation

Woodland Park Communities supports East Palo Alto-based and East Palo Alto-serving organizations and events by providing funding through the Woodland Park Communities Foundation as well as providing financial support for programming on site. A list of the organizations includes (in alphabetical order):

- AbleWorks
- Aim High for High School – East Palo Alto
- Bring Me a Book Foundation / Reading Bonanza at the Park
- Canopy
- Catholic Charities for Youth at St. Francis of Assisi
- Computers for Everyone
- EPA Children’s Day Committee
- East Palo Alto and Belle Haven Chamber of Commerce
- East Palo Alto branch of the San Mateo County Libraries
- East Palo Alto Blues Festival
- East Palo Alto Boxing Club
- East Palo Alto Junior Golf Program
- East Palo Alto Police Activities League
- East Palo Alto Senior Center
- East Palo Alto Tee-Ball and Pitching Machine League
- East Palo Alto YMCA
- East Palo Alto Youth Arts & Music Center
- Ecumenical Hunger Program
- El Concilio of San Mateo / Comite Latino
- EPACENTER Arts
- Free at Last Community Recovery and Rehabilitation Services
- Girls to Women
- Hagar Services Coalition
- Housing Endowment and Regional Trust (HEART) of San Mateo County
- JobTrain
- Live in Peace
- Mid-Peninsula Athletic Association / Mid-Peninsula Mastodons Football
- Nuestra Casa de East Palo Alto
- One East Palo Alto
- Peninsula Humane Society & SPCA
- Project WeH.O.P.E.
- Ravenswood Family Health Center
- Renaissance Entrepreneurship Center Mid-Peninsula, East Palo Alto
- StreetCode Academy
- Youth Community Service

About the Social Impact Consultants

Studio O is a design and strategy consultancy working at the intersection of racial and spatial injustice. Founded in 2012 and based in Oakland, the practice builds on over 15 years' experience in the design and social impact sector of its founder and principal, Liz Ogbu. It collaborates with multidisciplinary teams to work on projects with/in historically marginalized communities around the world. With a mission to create or improve systems, services, and places that can heal conditions of injustice, Studio O leverages a combination of community-centered research; dynamic forms of engagement and prototyping; spatially just architecture and planning; and tools to build participatory power and community-centered systems. In addition to her projects, Ogbu is speaks nationally and internationally on issues of spatial justice, including a widely viewed TED Talk on gentrification and spatial justice.

Emily Weinstein Consulting is a strategic consultant and leader in housing, community development and public engagement. For the past 20 years Emily Weinstein has worked on large scale affordable housing and community development initiatives to transform some of the most economically distressed and underserved neighborhoods in California. Emily Weinstein Consulting works with developers, public agencies, community organizations and design teams to achieve greater economic, social and health impacts by applying a wide set of community-centered strategies throughout the real estate development process. Emily's passion for marrying real estate and social impact stems from a belief that the built environment has the power to transform lives, and that developers have a responsibility to create equitable, healthy places where people can thrive and children can meet their full potential. Emily Weinstein also served two terms as a Planning Commissioner for the City of Oakland from 2013-2018 and is the pioneer of the Trauma Informed Community Building model.

West Side Area Plan Policy Consistency Analysis

Relevant Principle or Policy	Consistency Analysis
Guiding Principle 1: Avoid displacement.	Permanent displacement can be avoided due to the developer's ability to temporarily relocate residents within comparable nearby units and by offering a continued rent stabilization strategy and right of return to a unit in the new residential buildings.
Guiding Principle 4: Provide affordable rental housing.	The project will increase affordable rental housing by providing 444 additional housing units subject to the City's affordable housing requirements. The affordable units required by the City's affordable housing requirements will be provided at an off-site location.
Guiding Principle 7: Improve housing quality.	The project will significantly improve the quality and quantity of housing through new construction.
Guiding Principle 8: Maintain a diversity of housing types and unit sizes.	The project will provide a more diverse mix of unit sizes and rental housing types compared to the existing housing stock on the site, which are primarily studios and one-bedroom units. Thirty percent of the new units would be 2-bedroom units. Only 2 percent of existing units are 2-bedroom.
Guiding Principle 10: Address infrastructure deficiencies.	The project will provide upgraded water infrastructure and pay fair share contributions for upgrades to other common facilities.
Guiding Principle 12: Provide diverse parks, community facilities and shopping for all residents.	The project will provide publicly accessible park space, community function space, and commercial uses where there currently are none.
Guiding Principle 14: Beautify the Westside.	The project provides opportunities to beautify these specific city blocks with architecture, street trees and green spaces.
1.1 Preservation of housing.	The project will replace older housing with additional, new housing that accommodates households that are diverse in size, type and level of affordability.
1.2 No net loss in housing.	The project will increase housing and therefore will have no net loss.
1.3 Home ownership.	The project is 100% rental housing, replacing existing rental housing. Project does not provide ownership opportunities.
1.4 Diversity of housing types.	The architectural styles of the individual buildings within the project provide a range and diversity of housing types.
1.5 Diversity of unit sizes and types.	The project proposes a more balanced mix of unit sizes (comparable ratios of studio through 2-bedroom units in the project compared to existing units, that are almost entirely studios and 1 bedroom).
1.6 High quality housing.	The new structures would provide new, high quality housing.
1.7 Funding for affordable housing.	The affordable housing plan includes funding for affordable housing.

Relevant Principle or Policy	Consistency Analysis
1.8 Maintain a viable Rent Control program.	The proposed relocation plan and replacement of rent stabilized units would maintain rent stabilized units within the project, thus helping to maintain the City's program.
3.1 Expansion of income-restricted affordable housing.	Through compliance with the City's inclusionary housing ordinance, the project would expand the total quantity of income restricted affordable housing in the City.
3.2 Affordable Housing Location.	The rent-controlled units within the project would be spread throughout the development. The inclusionary housing units would be located at an off-site location.
3.3 Land swap to achieve no net loss.	This concept is not necessary due to the developer's ability to provide affordable housing within the project.
3.4 Mix of affordability levels.	The project provides both the opportunity for existing tenants of rent-controlled units to relocate to the new units with no rent increases and also market rate units. The affordable housing plan as proposed would provide both inclusionary housing per City ordinance and rent stabilized units.
3.5 Incentives for affordable housing.	The project would increase density and provides affordable housing consistent with the Inclusionary Housing Ordinance and through alternative compliance measures.
3.6 Affordability for current residents.	The project provides for a mix of affordable housing (rent stabilized and income-restricted). The project provides rent stabilized rent for current residents at rent control rates.
5.1 Transformation over time.	The project provides a process and framework to allow increases in intensity consistent with this policy.
5.2 Development intensity.	The project provides an intensification of development but also provides neighborhood benefits in the form of affordable housing, infrastructure improvements, publicly accessible park and commercial amenities.
5.3 Prerequisites for increases in intensity.	The project has been analyzed by City staff and found to be consistent with the listed prerequisites of this policy because the project: provides for income restricted housing; prevents displacement; preserves "right of return" for exiting residents; maintains the City's rent stabilization program; includes new parks and open space; improves streets and infrastructure; improves fiscal health; and beautifies the area with urban design and landscaping.
5.4 Development process for increased intensities.	The project is located on the north side of University Avenue. For this area, proposed increases in intensity over currently allowed intensities must prepare a master plan, development agreement or specific plan or similar document. The project includes a development agreement.
5.5 Application information for increased intensities.	Detailed information required per this policy has been submitted and reviewed for adequacy by City staff and found to be adequate.
5.6 Replacement of affordable housing stock.	The project provides replacement affordable housing consistent with this policy, including replacement of RSO

Relevant Principle or Policy	Consistency Analysis
	units and compliance with the inclusionary housing ordinance, subject to review and approval by the City.
5.7 Affordable housing as community benefit.	The project will provide rent-controlled units, some of which will serve as right of return units for current tenants at current rents. The project will also provide off-site income-restricted units or achieve alternative compliance with the City's inclusionary housing ordinance.
5.9 First right of return.	The project's relocation plan includes provisions for first right of return of existing residents.
5.10 Relocation plan.	The project has prepared a relocation plan for City approval consistent with this policy.
5.11 Relocation benefits.	The project's relocation plan includes relocation options for existing residents consistent with this policy.
5.12 Land use vision for the Westside.	The project has a housing focus consistent with this policy. The Main Street and market concepts are envisioned south of University Avenue and are therefore not applicable. The project provides non-residential (retail) support services as part of the development plan.
5.14 Graduation of height.	The project design concentrates height and intensity toward US 101 (away from San Francisquito Creek) and transitions to lower building heights closer to adjacent residential neighborhoods. Heights graduate from 13 levels to 6 levels.
5.15 Neighborhood transitions and character.	The project is new/replacement multi-family development, but is not immediately adjacent to existing single family residential neighborhoods. Single family development is located nearby, however, in Menlo Park, one block to the northwest. The project provides transitions in height consistent with this policy.
6.2 Building quality and character.	The project would introduce high quality architecture, materials and pedestrian-oriented facades consistent with this policy.
6.3 Frequent pedestrian entries and windows.	The project is designed to provide street access to units and the commercial space.
6.4 Building articulation.	The structures as proposed provide architectural relief, articulation, balconies, awnings and other features to soften structural bulk and mass.
6.5 Engaging residential facades.	Preliminary designs of the project illustrate windows, stoops, porches/balconies and other features of ground floor residential consistent with this policy.
6.6 Elevated ground-floor residential.	Ground level units include stairs rising to elevated entrances.
6.7 Parking frontage.	Project parking is provided off-street within a central parking garage. There are no surface lots along local streets.
6.8 Building length.	Building lengths are visually broken into segments using voids and green spaces around the project perimeter.
6.9 Garage and driveway entries.	The central parking garage utilizes a single ingress/egress point consistent with this policy.

Relevant Principle or Policy	Consistency Analysis
6.10 Placement of utilities.	The project will provide an opportunity to underground utilities locally and screen project details such as trash containers to a central location.
6.11 Loading docks and service access.	Loading areas, service bays and trash collection are accessed by a service alley at the corner of West Bayshore Road and Manhattan Avenue and appropriately screened.
7.1 Greening and streetscape.	The landscape plan provides new landscaping and streetscaping details consistent with this policy.
7.2 Connections to parks and nature.	While the project does not have a direct connection to San Francisquito Creek, the project will provide nearly an acre of publicly accessible park as part of the development plan.
7.3 Street furnishings.	Improvements and furnishings including a seating plaza and benches are planned along Euclid Avenue, within the publicly accessible park area, and within the entry plaza are consistent with this policy.
7.4 Street lighting.	The project provides an opportunity to provide new street lighting that is consistent with City standards and the project design.
7.5 Green streets.	The project landscape and drainage plans illustrate biofiltration areas, streetscaping, public park area and community greenspaces around the project perimeter consistent with this policy.
7.6 University Circle integration.	The applicant and the City have closely coordinated with University Circle and their expansion plans to integrate common facility needs and infrastructure related to circulation and roadway improvements.
8.3 Other new parks and open space.	This policy calls for new pocket parks, plazas and public spaces, including on O'Connor Street between Euclid Avenue and Manhattan Avenue. The project's proposed park and open space area is consistent with this policy.
8.4 Community Meeting Space.	The project provides community meeting space in conjunction with neighborhood serving retail.
9.2 Safe pedestrian network.	The project proposes speed tables, visual roadway treatments and crosswalks along Euclid Avenue.
9.3 Safe bicycle network.	Currently direct access to bicycle facilities is provided adjacent to the project site including Class III bicycle routes along O'Connor Street and W Bayshore Road/Manhattan Avenue. Improvements proposed by the project would not affect existing Class III bicycle routes adjacent to the site. The site will also provide bicycle parking for residents, employees, and customers.
9.4 Transit service.	The project proposes a new bus stop at the corner of Euclid Avenue and O'Connor Street near the proposed park. Project applicant is working with regional transit providers consistent with this policy.

Relevant Principle or Policy	Consistency Analysis
9.5 Complete Streets.	Complete streets improvements, such as bulb outs and high visibility crosswalks will be incorporated to better accommodate pedestrians and bicyclists.
9.6 Sidewalks.	The project provides walkable, treelined sidewalks consistent with this policy.
9.7 Pedestrian crosswalks.	There are existing sidewalks on both sides of O'Connor Street, on both sides of Euclid Avenue between E O'Keefe Street and O'Connor Street, and both sides of W Bayshore Road/Manhattan Avenue between O'Connor Street and the Four Seasons Hotel Driveway. With the project, existing sidewalks will remain on both sides of the street and additional improvements will be constructed to improve pedestrian facilities adjacent to the project. These improvements include constructing high visibility crosswalks along Euclid Avenue at O'Connor Street and O'Keefe Street and bulb outs for the north leg of the intersection of Euclid Avenue and O'Connor Street.
10.1 Parking for new development.	The project includes an internal parking garage providing 1.1 parking spaces per apartment unit.
10.3 Off-street parking allocation.	The project would manage and allocate all parking spaces available to tenants.
10.5 Transportation Demand Management.	The project includes a Transportation Demand Management (TDM) plan to help reduce vehicle miles travelled associated with the project and to encourage/incentivize use of alternative transportation modes.
10.6 Mechanized Parking.	No mechanized parking is proposed.
11.1 Infrastructure upgrades.	The project is responsible for its fair share contribution to water and sewer system upgrades and/or studies to ensure that the project's responsibility is addressed as part of infrastructure planning and improvements on the Westside.
11.4 Public Safety Services.	Police and fire protection service providers have been engaged in the project planning process to ensure that service levels and response times are within acceptable standards.
11.5 Infrastructure for new development.	The project will contribute fees toward common infrastructure as well as provide a 1.5 MG water tank that will partially serve as a community benefit.
11.6 Waste and recycling.	The project includes centralized waste collection areas.

RESOLUTION NO. PC 2022-08

**A RESOLUTION OF THE EAST PALO ALTO PLANNING COMMISSION RECOMMENDING THAT THE EAST PALO ALTO CITY COUNCIL CERTIFY A FINAL ENVIRONMENTAL IMPACT REPORT (FEIR); ADOPT THE MITIGATION MONITORING AND REPORTING PLAN (MMRP); FILE A NOTICE OF DETERMINATION; ADOPT A STATEMENT OF OVERRIDING CONSIDERATIONS; ADOPT AMENDMENTS TO THE GENERAL PLAN, DEVELOPMENT CODE, AND ZONING MAP; AND APPROVE A DESIGN REVIEW PERMIT, CONDITIONAL USE PERMIT, TENTATIVE PARCEL MAP AND DEVELOPMENT AGREEMENT FOR A MIXED-USE PROJECT AT 2001 EUCLID AVENUE
(WOODLAND PARK EUCLID IMPROVEMENTS).**

WHEREAS, the application for General Plan Amendment (GP19-001) and Development Code and Zoning Map amendments (ZC19-002), Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), Tentative Parcel Map (TTM19-001), and Development Agreement submitted by Woodland Park Communities/Sand Hill Property Company (“Sand Hill”) pertains to an approximately 3.92-acre project site generally located at 2001 Manhattan Avenue, East Palo Alto, CA; and

WHEREAS, Sand Hill proposes construction of a mixed-use residential project containing approximately 605 residential units within three buildings ranging in height from 5 to 13 stories with approximately 605 parking spaces in a structured garage and approximately 2,500 square feet of community function space and 2,215 square feet of neighborhood-serving retail space; and

WHEREAS, on July 1, 2021, the City issued a Notice of Availability of the Draft Environmental Impact Report (DEIR) and received fifteen comment letters during the extended 75-day public comment period which ended on September 15, 2021; and

WHEREAS, a Final Environmental Impact Report (FEIR) has been prepared in accordance with Section 15132 of the California Environmental Quality Act (CEQA) Guidelines and the Planning Commission reviewed the FEIR and the comments received during the public review period; and

WHEREAS, in accord with Section 15090 of the CEQA Guidelines, the FEIR has been presented to the Planning Commission and the document reflects the lead agency’s independent judgment and analysis; and

WHEREAS, a Statement of Overriding Considerations has been prepared in accordance with CEQA Guidelines Section 15093, and the statement of overriding considerations is supported by substantial evidence in the record; and

WHEREAS, the proposed General Plan, Zoning Text Amendment and Zoning Map Revision are consistent with the General Plan’s Westside Area Plan Policies 5.2

through 5.5, which set forth requirements and procedures for new developments proposing increased intensity; and

WHEREAS, the project is consistent with the development standards and permitted uses in the City's Municipal Code and the proposed Development Code Amendment; and

WHEREAS, Section 65864 et. seq. of the California Government Code and Chapter 18.108 of the East Palo Alto Municipal Code authorize the City to enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of that property; and

WHEREAS, on July 25, 2022, the Planning Commission held a duly noticed public hearing on the General Plan, Development Code Amendment, Zoning Map Amendments, Design Review and Conditional Use Permits, Tentative Parcel Map, Development Agreement, Environmental Impact Report (EIR), and other project entitlements;

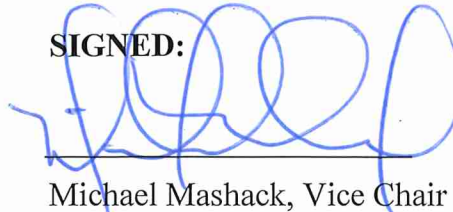
NOW, THEREFORE, BE IT RESOLVED THAT THE EAST PALO ALTO PLANNING COMMISSION hereby recommends that the East Palo Alto City Council:

1. **Certify** that the Final Environmental Impact Report (FEIR) has been done in compliance with the California Environmental Quality Act (CEQA);
2. **Adopt** a Mitigation, Monitoring and Reporting Plan pursuant to Public Resources Code 21000 and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000);
3. **Adopt** a Statement of Overriding Considerations;
4. **Direct** the Community and Economic Development Director to File a Notice of Determination within five working days of adoption pursuant to Section 15075 of the CEQA Guidelines;
5. **Approve** the General Plan Amendment (GP19-001) and Development Code and Zoning Map amendments (ZC19-002) establishing the Neighborhood Center Overlay District;
6. **Approve** the Design Review Permit (DR 19-028), Conditional Use Permit (CUP22-003), and Tentative Parcel Map (TTM19-001), based on the findings, requirements and conditions of approval which are Attachments to the resolutions and incorporated by reference; and
7. **Approve** the Proposed Development Agreement for the Woodland Park Euclid Improvements Project

ADOPTED on this 25th day of July 2022, by the following vote:

- AYES:** Brown-Austin, Mashack, Mendez, Sherrard
- NOES:** Allen-Fisk, Smith
- ABSENT:** Bello
- ABSTAIN:** Nicholas


SIGNED:




Michael Mashack, Vice Chair

APPROVED AS TO FORM:

ATTEST:



Salani Wendt
Planning Commission Clerk



Valerie J. Armento
Interim City Attorney

Attachment: Planning Commission Resolution (2406 : Woodland Park Euclid Improvements)

ATTACHMENT A: REQUIRED FINDINGS AND CONDITIONS OF APPROVAL



CITY OF EAST PALO ALTO PLANNING DIVISION
1960 TATE STREET CITY OF EAST PALO ALTO, CA 94303
Brown Adm

**FINDINGS OF FACT
Required Findings for Approval**

The Review Authority may approve, conditionally approve, or deny the General Plan Amendment, Development Code and Zoning Map Amendment, Conditional Use Permit, Site Plan and Design Review, Tentative Map, and Development Agreement applications only after first making all of the following findings.

Findings for General Plan Amendments (EPAMC Sec. 18.114.060(A))

The amendment is internally consistent with all other provisions of the General Plan;

This finding can be made because the amendment and Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The Neighborhood Center Overlay (NCO) designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with all other provisions of the General Plan.

The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City; and

This finding can be made because the project site would be the only site with the NCO land use designation and the effects to public health and safety associated with the increase in intensity of the proposed amendment has been evaluated in an EIR, which has identified mitigation measures and sets forth a Mitigation Monitoring and Reporting Program. These measures are incorporated to avoid potential environmental effects, including those that relate to public health and safety. Future application of the NCO land use designation to additional properties would require amendments to the General Plan to add the NCO land use designation to those additional properties, which would require additional evaluation under CEQA and additional analysis to make required findings.

The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

This finding can be made because the affected site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The increase in intensity included in the amendment has been studied through the project's EIR. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Ave, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately

downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Findings for Development Code and Zoning Map Amendments (EPAMC Sec. 18.114.060(B))

The proposed amendment is consistent with the General Plan and any applicable specific plan; and

This finding can be made because the amendment and Neighborhood Center Overlay District implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with all other provisions of the General Plan.

The proposed amendment will not be detrimental to the public interest, health, safety, convenience or welfare of the City.

This finding can be made because the proposed amendment was designed to ensure public health, safety and general welfare. The NCO District amendment includes appropriate project setbacks and open space requirements, and underlying Citywide, R-HD, and R-UHD District regulations are applicable that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment. The project site would be the only site with NCO zoning and has been evaluated in an EIR, which has identified mitigation measures and sets forth a Mitigation Monitoring and Reporting Program. These measures are incorporated to avoid potential environmental effects, including those that relate to public health and safety. Future amendments including a zone change to the NCO district would require additional evaluation under CEQA. Future projects seeking zone changes would also be required to meet required determinations set forth in the NCO zoning regulations that ensure the zone change is in the public's interest.

The proposed amendment is internally consistent with other applicable provisions of the Development Code.

The proposed amendment modifies a discrete set of development standards for the R-HD and R-UHD zoning districts to allow additional residential density and is internally consistent with other applicable provisions of the Development Code, including Citywide, R-HD, and R-UHD District regulations that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment.

The affected site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle access, and public services and utilities and is served by highways and streets adequate in width and

improvement to carry the kind and quantity of traffic the proposed use would likely generate, to ensure that the proposed use(s) and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

This finding can be made because the affected site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The increase in intensity included in the amendment has been studied through the project's EIR. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Ave, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Site Plan and Design Review Findings (EPAMC Sec. 10.86.050)

The proposed development is consistent with the General Plan and any applicable specific plan and is in compliance with all applicable provisions of the Development Code and all other City ordinances and regulations;

This finding can be made because the proposed mixed-use development is consistent with the Neighborhood Center Overlay (NCO) land use designation included as an amendment to the General Plan and is in compliance with Westside Area Plan, which sets forth a process and requirements for increasing development intensity at the project site. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, and a Tenant Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code, including the NCO District, and City ordinances and regulations.

The proposed development is to be constructed on a suitable site, adequate in shape, size, topography, and other circumstances to accommodate the proposed development;

This finding can be made because the project site is located in a developed area of the city for a use allowed in the General Plan and in the Development Code and meets Development Code standards for the NCO Zone for height, setbacks, and lot coverage. The project site is approximately 3.92 acres in size and is fully accessible by city streets including Euclid Avenue, Manhattan Avenue, West Bayshore Road, East O'Keefe Street, and O'Connor Street. The application also includes a tentative map, which would dedicate additional right of way to the City and merge multiple parcels on either side of Euclid into two consolidated parcels to accommodate the proposed buildings.

The proposed development complies with the applicable standards of review;

This finding can be made because the project entitlements include General Plan, Zoning Map and Development Code Amendments to modify existing zoning regulations and general plan designations, as well as a Design Review Permit for the construction of new structures, Conditional Use Permit for the demolition of affordable units, and a Tentative Parcel Map. A Development Agreement is also included.

The proposed development is designed and arranged to provide adequate consideration to ensure the public health, safety, and general welfare, and to prevent adverse effects on neighboring property

This finding can be made because the project was evaluated to ensure public health, safety and general welfare. The project's EIR studied the effects to public health and safety associated with the increase in intensity of the proposed development, identified mitigation measures to reduce impacts, and set forth a Mitigation Monitoring and Reporting Program. The project site, 2001 Manhattan Ave comprises approximately 3.92 acres of land and is accessible by city streets including Euclid Ave, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is fully served by public services and utilities, and a 1.5-million-gallon steel water storage tank located at 375 Donohoe Street would be constructed concurrent with the project to provide improved fire flow and pressure to the project as well as the extended City system. The project would also be required to make fair share contributions or improvements to ensure adequate sanitary sewer service. As noted in the project traffic study, the project would be required to make fair share contributions to improve nearby intersection function. A variety of 2-3 story multiple-family and neighborhood commercial uses surround the project site, and the University Circle/Four Seasons campus lies to the east of the project site. The proposed mixed-use residential development has been designed to be compatible with the new NCO zoning district and concentrates the development's greatest height and intensity away from the existing low-rise buildings in the neighborhood and adjacent to the taller University Circle/Four Seasons Campus and US 101 to the northeast to avoid adverse effects on neighboring property. The project also includes appropriate project setbacks, circulation and landscaping, as well as the appropriate screening for loading, parking and mechanical equipment.

CUP Findings (EPAMC Sec. 18.88.060)

The proposed use is consistent with the General Plan and any applicable specific plan;

This finding can be made because the proposed mixed-use development is consistent with the Neighborhood Center Overlay (NCO) land use designation included as an amendment to the General Plan and is in compliance with Westside Area Plan, which sets forth a process and requirements for increasing development intensity at the project site. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space, a publicly accessible park and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-

restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, Brownfield Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code, including the NCO District, and City ordinances and regulations.

The proposed use is allowed within the subject zone and complies with all other applicable provisions of the Development Code and the Municipal Code;

The proposed residential uses are permitted uses within the UHD and R-HD Zones, and additionally neighborhood commercial uses are permitted by right in the NCO Zone. The increased height and residential density is compliant with the NCO Zone, and the use is also compliant with other applicable provisions of the Development Code and the Municipal Code, including underlying Citywide, R-HD, and R-UHD District regulations are applicable that regulate site and building design, circulation, landscaping, loading, parking, and screening of mechanical equipment.

The design, location, size, and operating characteristics of the proposed use are compatible with the allowed uses in the vicinity, as detailed in the General Plan or any applicable Specific Plan;

This finding can be made because the proposed use is consistent with the underlying General Plan designations as well as the NCO land use designation. The NCO designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The project site is located in a developed area of the city for a use allowed in the General Plan and in the Development Code that is directly connected to multiple city streets including Euclid Avenue, Manhattan Avenue, West Bayshore Road, East O'Keefe Street, and O'Connor Street. The proposed use is compatible with other allowed uses in the vicinity which include residential, neighborhood-serving retail, and office uses.

Operation of the use at the location proposed would not be detrimental to the harmonious and orderly growth of the City, or endanger, jeopardize, or otherwise constitute a hazard to the public convenience, health, interest, safety, or general welfare of persons residing or working in the neighborhood of the proposed use; and

This finding can be made because the proposed residential use has been designed to be compatible with the NCO District and with the underlying R-HD-5 and R-UHD zoning districts. The project would also be required to receive a building permit, which requires additional review of life/safety issues. Further, hazards have been evaluated in the project EIR and mitigated to less-than significant levels via the measures identified in the Mitigation Monitoring and Reporting Program.

The subject site is physically suitable in terms of design, location, operating characteristics, shape, size, topography, and the provision of public and emergency vehicle (e.g., fire and medical) access and public services and utilities; and served by highways and streets adequate in width and improvement to carry the kind and quantity of traffic the proposed use would likely generate.

This finding can be made because the subject site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Ave, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The site is adequately served by public services and would pay impact fees to accommodate any increase in demand of public services due to the new development. The project includes

upgrades to the City's utility and stormwater infrastructure, including construction and connection to a new water tank to upgrade fire water pressure, and Mitigation Measure UTIL-3.1 requires that the project makes fair share contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The project would maintain the local circulation network without blocking or altering existing routes or traffic flow. The project would include a high-visibility crosswalk with appropriate traffic calming measures at the intersection of O'Connor Street and Manhattan Avenue to connect the project to the University Circle complex, to facilitate greater neighborhood connection, and to provide a convenient path for nearby residents to access the future University Avenue pedestrian and bike overpass. As noted in the project's traffic study, nine of 22 study intersections, currently operate with LOS deficiencies, and the project would have an adverse effect on six intersections during one or both peak hours under "existing plus project" conditions. However, the project would make a fair share contribution to planned intersection improvements, which would improve the intersection operations to an acceptable LOS or otherwise improve pre-project conditions.

Additional Findings for the merger, demolition or elimination of Affordable Dwelling Units (EPAMC 18.48.220):

The proposal will not be materially detrimental to the public interest of the affected neighborhood and the City.

This finding can be made because the project will provide substantive community benefits including a new publicly accessible park, community space, and water tank to improve fire pressure and water conveyance. The project will also provide off-site income-restricted affordable housing in compliance with the inclusionary housing ordinance and on-site rent controlled housing to provide right of return units for tenants and new rent-stabilized units to tenants. The project will provide relocation benefits to existing tenants including right of return units and temporary housing to provide housing security and avoid displacement.

The proposal is consistent with the City's General Plan policies, Development Code requirements, and all other City rules and regulations.

This finding can be made because the Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with the Tenant Relocation policies of the Westside Area Plan and all other provisions of the General Plan and the Development Code.

Whether the project is necessary to permit construction of special needs facilities such as, but not limited to: childcare centers and affordable housing developments that serve the greater good of the entire community.

This finding can be made because the project would provide a water tank, community space, and a publicly accessible park to serve the greater good of the entire community in addition to constructing off-site income restricted housing and providing on-site rent controlled units.

Tentative Map Findings (EPAMC Sec. 18.52.060)

The proposed map, subdivision design, and improvements are consistent with the General Plan, any applicable specific plan, and this Article;

This finding can be made because the Neighborhood Center Overlay designation implements Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan. The amendment is internally consistent with the Tenant Relocation policies of the Westside Area Plan and all other provisions of the General Plan and the Development Code. Further, the proposed map and improvements are consistent with the minimum lot set forth in the Development Code and with the provisions of Article 6.

The site is physically suitable for the type and proposed density of development;

This finding can be made because the subject site is located in a developed area of the city for a use that is allowed in the General Plan, Westside Area Plan and in the Development Code. The project site is approximately 3.92 acres in size and is accessible by city streets including Euclid Ave, West Bayshore Road, Manhattan Avenue, East O'Keefe Street, and O'Connor Street. The project also includes appropriate project setbacks, circulation and landscaping, as well as the appropriate screening for loading, parking and mechanical equipment.

The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;

This finding can be made because the subject site is located in a developed area of the city, and the project was studied in an EIR, which found impacts to biological resources to be less than significant. A mitigation measure would be implemented to required nesting bird surveys if on-site tree removal, demolition and grading to occurs inside of the nesting and breeding season.

The design of the subdivision or type of improvements is not likely to cause serious public health or safety problems;

This finding can be made because the project has been designed to avoid public health and safety problems, and mitigation measures will be adopted as conditions of approval to avoid environmental impacts. Mitigation measures would be implemented to reduce impacts to air quality and noise during construction and operation of the project. The project is adequately served by public and emergency services and would be subject to development impact fees to accommodate any increased demand due to the additional population introduced by the project.

The design of the subdivision or the type of improvements will not conflict with easements acquired by the public at large for access through or use of, property within the proposed subdivision.

The existing site does not include any public access easements, but the project would dedicate additional right of way in fee to the City to provide a consistent 60' wide ROW. A minimum 5' Public Utility Easement would be required on all frontages. The easement width can be modified based on constraints and the final utility design, and sidewalk easements would also be required. A public access easement or license agreement would be implemented to guarantee public access to the project's park.

The discharge of sewage from the proposed subdivision into the community sewer system will not result in violation of existing requirements specified by the California Regional Water Quality Control Board;

This finding can be made because the discharge of sewage is required to be treated by the East Palo Alto Sanitary District. Mitigation Measure UTIL-3.1 requires that the project makes fair share

contribution for construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both to adequately serve the site's sanitary sewer demand. Condition of Approval 74 requires the project to receive a will serve letter from the East Palo Alto Sanitary District prior to issuance of building permits.

The design of the subdivision provides, to the extent feasible, passive or natural heating and cooling opportunities; and

This finding can be made because the project is designed to LEED Silver standards at minimum and must integrate sustainable design features to maximize energy efficiency, reduce waste streams, conserve water and mitigate greenhouse gas emissions.

The proposed subdivision, its design, density, and type of development and improvements conforms to the regulations of the Development Code and the regulations of any public agency having jurisdiction by law.

This finding can be made because the proposed subdivision design conforms the regulations of the Development Code and General Plan. The project's associated General Plan and Development Code amendments implement Westside Area Plan Policies 5.2, 5.3, 5.4, and 5.5, which set forth a process and requirements for projects requesting increases in intensity. The NCO designation would be used to increase intensity of development sites on a project-by-project basis, in designated areas as shown on Figure 11-12 of the Westside Area Plan.

Development Agreement Findings (EPAMC Sec. 18.108.030)

The development agreement is in the best interests of the City;

This finding can be made because the development agreement includes significant community benefits with a term length of seven to twelve years (dependent on if an automatic extension is invoked). The development agreement and community benefits are consistent with Westside Area Plan Policy 5.4, which calls for projects requesting increased intensity to enter into a development agreement and/or pay fees to support the development of new parks, open spaces, infrastructure and community facilities necessary to support a higher level of development on the Westside. In addition, Westside Area Plan Policy 8.4, which calls for new community meeting spaces. The community benefits include a 9,300 square feet new public park, community function space of approximately 2,500 square feet, and a 1.5 million gallon water tank and pump system to improve the overall water conveyance, supply, and pressure in the neighborhood.

The development agreement is consistent with the purpose, intent, goals, policies, programs, and land use designations of the General Plan, any applicable specific plan, and the Development Code;

This finding can be made because the proposed neighborhood service use is permitted in the Neighborhood Center Overlay Land Use Designation and within the Neighborhood Center zoning district. The multiple family residential use is permitted in the High Density Residential and Urban Residential Land Use Designations in the General Plan and the R-HD and R-UHD Zoning Districts. The purpose of the NCO designation is to support the development of housing at increased intensities with ancillary neighborhood-serving retail uses. The project would provide community space and neighborhood serving retail uses, as well as 605 residential units, 160 of which would be rent-controlled. The project also includes construction of off-site income-restricted affordable housing as alternative compliance with the City's inclusionary housing ordinance, and a Tenant Relocation Plan that is compliant with the City's ordinances and the Westside Area Plan requirements. Further, the proposed project meets all applicable provisions of the Development Code,

including the NCO District, and City ordinances and regulations.

The development agreement will promote the public convenience, health, interest, safety and general welfare of the City;

This finding can be made because the project was designed to ensure public health, safety and general welfare. The project includes appropriate project setbacks, circulation, and landscaping. The proposed mixed-use project has been designed to be compatible with the NCO zoning district, and mitigation measures identified in the EIR and MMRP prepared for the project are incorporated to avoid potential environmental effects related to public health and safety.

The project will be compatible with the uses authorized in, and the regulations prescribed for, the zone in which the real property is located;

This finding can be made because the proposed mixed-use is permitted in the proposed General Plan Neighborhood Center Overlay (NCO) Land Use Designation and within the proposed NCO zoning district. The General Plan and Development Code amendments meet the required findings, as described above. The project site, 2001 Manhattan Ave , comprises approximately 3.92 acres of land and is occupied 161 existing units and is surrounded by other multiple-family housing development as well as neighborhood serving commercial uses. Therefore, the proposed mixed-use building will be compatible with the other authorized uses in the area.

The project will not adversely affect the orderly development of property or the preservation of property values;

This finding can be made as the project, inclusive of the General Plan and Development Code amendments, is consistent with both the General Plan and the Development Code which plan for and regulate the development of property and set forth property value expectations. The General Plan provides a comprehensive framework for the physical development of the city through 2035 and highlights the project area as appropriate for increases in intensity on a project-by-project basis. The project meets the prerequisites for increases in intensity laid out by Westside Area Plan Policy 5.3, supports the development of new parks, open spaces, infrastructure and community facilities set forth by Westside Area Plan Policy 5.4, and meets application requirements set forth by Westside Area Plan Policy 5.5.

The project will further important Citywide goals and policies that have been officially recognized by the Council; and

This finding can be made because the proposed project is consistent with the General Plan and Westside Area Plan, specifically Goals W-1, W-3, and W-5. Westside Area Plan W-1 is to prevent displacement and preserve affordable housing. The project would provide right of return units, temporary units during construction, and other relocation benefits for existing tenants and would include 160 rent-controlled units in the new development. The project would also further Westside Area Plan Goal W-3 by creating new, high-quality affordable housing, both at the project site (rent-controlled units) and at the off-site income restricted affordable housing development. The project would additionally support Westside Area Plan Goal W-5 by developing of new buildings to improve housing opportunities and improve quality of life.

The project will provide the City with important, tangible benefits beyond those that

may be required by the City through project conditions of approval

This finding can be made because the proposed project will provide important and tangible benefits including a community function space, public park, 1.5 million gallon water tank, and bus stop and landscaping improvements around the project site.



**CITY OF EAST PALO ALTO PLANNING DIVISION
1960 TATE STREET CITY OF EAST PALO ALTO, CA 94303**

CONDITIONS OF APPROVAL

Planning Division

General Conditions:

- 1) The project shall be built according to the approved plans as part of Planning application DR19-028 approved by the City Council on _____. Any expansion or change in use shall be subject to review by the Planning Manager and approval by the appropriate decision-making body.
- 2) The Planning Manager may administratively approve minor modifications to the approved plans or uses consistent with Section 18.86.080 of the Development Code. Major Modifications, as determined by the Planning Manager, shall require review and approval from the City Council at a public hearing.
- 3) The applicant shall obtain a City of East Palo Alto building permit and any associated encroachment or site development permits from the Public Works Department before construction can proceed.
- 4) The applicant shall notify the project planner to schedule inspections related to the construction of all structures, landscaping, and other site improvements. The notification request shall be given at least 72 hours prior to the requested time for inspection.
- 5) The applicant shall hold harmless and defend the City, its officers, agents, and employees from any liability or claims for damages due to the injury of any person, loss of life, or damage to property caused by, or arising out of activities authorized by these approvals or from any claim action or proceeding to set aside, void, or annul any approval of the Project by the City. The applicant shall employ legal counsel approved by the city or indemnify the City for the cost of legal counsel and legal services.
- 6) The project shall comply with all terms of the Development Agreement, as approved by Ordinance No. _____.
- 7) The Applicant shall attend a pre-submittal meeting with Public Works and Community and Economic Development Department (CEDD) staff prior to the issuance of a grading permit .
- 8) No permit shall be issued for an individual sign requiring a permit unless and until a Master Signage Plan for the subject parcel on which the sign shall be erected has been submitted and approved consistent with the East Palo Alto Development Code.
- 9) 21 protected trees are approved for removal, as described in the project plans. 42 trees are required for replacement, as described on sheet L-1.0 of the approved plans. Replacement trees must be 24" box size or greater.

- 10) If any additional protected trees are proposed for removal, a tree removal permit shall be filed with the Planning Division for the removal of any Protected Trees on the property prior to the issuance of building permits. The applicant shall incur any fees associated with the tree removal permit application or peer review.
- 11) Project landscaping shall comply with City of East Palo Alto and State regulations for water-efficient landscaping.
- 12) The project shall incorporate native landscaping where possible.
- 13) Private and dedicated open space and trees shall be preserved and maintained by the owner/occupant per plans when approved by the City. If there are any modifications to the current trees and landscaping or if the tree needs to be replaced by something comparable, the applicant will need to get approvals from the Planning Division in order to be permitted to do so. The approval may require, but is not limited to, separate permits fees, arborist reports, and other necessary documents. No building additions shall be permitted that impede or in any way impact the granted open space excluding small accessory structures.
- 14) Landscaping within the Corner Vision Triangle Area (defined by East Palo Alto Municipal Code Section 18.22.020(B)) shall be selected, installed, and maintained consistent with East Palo Alto Municipal Code Section 18.22.020 to avoid obstructions for vehicles exiting project driveways.
- 15) As part of the project's Transportation Demand Management Program, the project will be required to coordinate with the City's TDM program coordinator to increase ridership of the University Circle Complex shuttle. At minimum, the Applicant shall advertise the private Caltrain shuttle service offered by the University Circle Complex property managers in lobbies and public spaces and coordinate placement of a shuttle stop with the City.
- 16) Transit passes shall be offered in accordance with the City-approved Transportation Demand Management plan.
- 17) The applicant or successor in interest shall be required to participate in a TMA if formed.

Prior to Issuance of Grading Permits:

- 18) SC AQ-2.1 BAAQMD Basic Construction Measures. BAAQMD Basic Construction Measures. Prior to any grading activities, the applicant shall prepare and implement a Construction Management Plan that includes the BAAQMD Basic Construction Mitigation Measures to minimize construction-related emissions. This plan shall first be reviewed and approved by the Director of Public Works/City Engineer. The BAAQMD Basic Construction Mitigation Measures are:
 - a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day.
 - b. All haul trucks transporting soil, sand, or other loose material off-site shall be

- covered.
- c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited.
 - d. All vehicle speeds on unpaved roads shall be limited to 15 mph.
 - e. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.
 - f. Idling times shall be minimized either by shutting equipment off when not in use or reducing the maximum idling time to 5 minutes (as required by the California airborne toxics control measure Title 13, Section 2485 of California Code of Regulations [CCR]). Clear signage shall be provided for construction workers at all access points.
 - g. All construction equipment shall be maintained and properly tuned in accordance with manufacturer's specifications. All equipment shall be checked by a certified mechanic and determined to be running in proper condition prior to operation.
 - h. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours. The Air District's phone number shall also be visible to ensure compliance with applicable regulations.

Prior to the Issuance of Building Permits:

Prior to the issuance of building permits:

- 19) Applicant shall acknowledge in writing all of the conditions of approval and any mitigation measures contained in the EIR mitigation and monitoring program (MMRP) and accept these conditions and mitigation measures with full awareness of the responsibilities associated with all requirements. Said information to be noted on the front page(s) of the building permit plan sets.
- 20) The project shall comply with the associated Mitigation Monitoring and Reporting Program (MMRP). Prior to the issuance of building permit the developer shall be required to meet with the Planning Division to discuss the mitigation measures identified with the Mitigation Monitoring and Reporting Program (MMRP).
- 21) Applicant shall record a memorandum with the County of San Mateo stating that the conditions of approval are available from the City of East Palo Alto.
- 22) Applicant shall submit a lighting plan showing all proposed parking lot and exterior building lighting, including details on standard design, coverage and intensity for review and approval by the Planning Manager.
 - a. The plan shall include the manufacturer's specifications and the 0.5-foot candle contour lines on selected elevations and on the site plan.
 - b. Lighting shall be limited to the absolute minimum required to provide visibility and security to the site without spillover or glare effects to surrounding properties, roadways, or sky to limit light pollution and trespass.
 - c. Minor adjustments with diffusers or lower wattage fixtures may be required after opening.
 - d. Exterior light fixtures shall be full cutoff type so that lighting is directed downward only, minimizing glare and light pollution, and shall not cast light on any adjacent

property or roadway. Lighting fixtures shall be installed that are energy efficient.

- 23) Applicant shall submit the method of screening roof equipment to the Planning Manager for review and approval. Roof equipment and objects such as elevator equipment, air conditioning or utility equipment, television aerials, etc. shall not be visible from surrounding streets or properties from the ground plane.
- 24) Applicant shall submit a site management plan to address any remediation, if required. Final sign-off, if required, shall come from the San Francisco Regional Water Quality Control Board, and building permits shall not be issued until the City has received clearance from the San Francisco Regional Water Quality Control Board for any required remediation of the site.
- 25) All impact fees, as well as any outstanding costs associated with the planning entitlement process, shall be paid prior to issuance of the building permit. Impact fee information is available at:
https://www.cityofepa.org/sites/default/files/fileattachments/finance/page/4461/east_palo_alto_comprehensive_fee_schedule_eff.01.2021_0.pdf
- 26) Submit exterior building colors, materials, and design elements to the Planning Manager for final review and approval prior to issuance of building permit.
- 27) Submit exterior paint colors, materials, and design elements for the water tank to the Public Works Director for final review and approval prior to issuance of building permit.
- 28) A tree protection plan shall be submitted and approved prior to issuance of building permits. To avoid and minimize damage to existing trees that are not proposed for direct impact by Project activities, the measures outlined on Plan Sheet T-0.1 shall be implemented during construction.
- 29) Prior to the issuance of a building permit, the applicant shall comply with the Transportation Demand Management (TDM) Plan requirements consistent with the East Palo Alto Municipal Code Chapter 10.32. A complying TDM plan shall be submitted to the City for review and approval before building permits can be issued. The project shall be subject to all applicable TDM-related fees and penalties.
- 30) Applicant shall install bicycle racks or storage that complies with the Santa Clara Valley Bicycle Technical Guidelines and Valley Transit Authority (VTA) standards, as may be amended.
- 31) Applicant shall submit a property maintenance and management plan for the entire property, which shall include but not be limited to:
 - a. Clearly identify the use of all balconies and define what can and cannot be stored on the balcony
 - b. General cleaning of litter and debris on-site

- c. Maintenance of all exterior building materials
 - d. Maintenance of all landscaping, window cleaning, etc.
- 32) Prior to the issuance of Building Permits, the project applicant/developer must obtain all required approvals by and be in compliance with all the conditions of the East Palo Alto Sanitary District or then current provider of sanitary sewer.
- 33) Submit final design details and equipment details for improvements at the Park which shall be approved by the City and shall be consistent with the Parks, Recreation, and Open Space Master Plan.

Conditions Prior to Certificate of Occupancy:

- 34) Park improvements shall be constructed prior to issuance of certificate of occupancy.

Conditions After Certificate of Occupancy:

- 35) The community room shall be maintained and operated consistent with the terms set forth in the Development Agreement (Ordinance No. _____) for the life of the project.
- 36) The applicant shall consult with the City prior to making any modifications to landscaping, equipment, programming, or operation of the park.

CEQA Mitigation Measures

- 37) MM AES-2.1 Construction Screening. To minimize and soften the visual effect as seen from visitors and nearby residents, the project proponent shall incorporate construction fencing or screening around the perimeter of the site. The screening material shall be of sufficient height to mask ground-level activities within and be designed with graphics, murals, historic references, or other design features to blend as much as possible with the neighborhood surroundings while communicating the future uses at the site. Screening shall remain in place during demolition of existing structures, site preparation and new building construction. Screening shall not be necessary during the final stages of construction when architectural coatings, detailing and landscaping are applied. The plan for screening concept and design shall be submitted for approval to the City of East Palo Alto prior to issuance of any building and grading permits.
- 38) MM AES-2.2 Water Tank Screening. During construction, the applicant shall provide construction screening of the water tank site to soften visual effects of construction. In the final phase of tank construction, the applicant shall landscape the perimeter of the water tank site at 375 Donohoe with a combination of fencing and vegetation to soften and screen the appearance of the water tank and related improvements. Plant selection shall include native, taller species or trees to provide a visually appealing screen as viewed from the roadway and surrounding land uses. Landscaping and screening shall not conflict with water tank access or operations. Landscaping plans shall be submitted to the City for review and approval with final improvement plans.
- 39) MM AES-3.1 Glare Reduction. As part of final improvement plans, the project shall incorporate anti-reflective (AR) glass products and surfaces selected specifically to minimize reflective glare. Such materials can vary but typically consist of matte or patterned finishes that serve to both reduce reflective glare and reduce bird strike.

- 40) MM AQ-3.1 Off-Road Diesel-Powered Construction Equipment. All mobile diesel-powered off-road equipment operating on-site for more than two days and larger than 50 horsepower shall, at a minimum, meet U.S. Environmental Protection Agency (EPA) particulate matter emissions standards for Tier 4 engines or equivalent. Prior to the issuance of any demolition permits, the project applicant shall submit a construction operations plan to the Planner/Project Manager of the Planning Division of the Department Community and Economic Development, which includes specifications of the equipment to be used during construction and confirmation this requirement is met. Such equipment could include concrete/industrial saws, graders, scrapers, rollers, cranes, forklifts, generator sets, and air compressors.

The construction contractor may use other measures to minimize construction period Diesel Particulate Matter (DPM) emissions to reduce the estimated cancer risk below the thresholds. The use of equipment that includes CARB-certified Level 4 Diesel Particulate Filters or alternatively-fueled equipment (i.e., non-diesel), added exhaust devices, or a combination of these measures could meet this requirement. If any of these alternative measures are proposed, the construction operations plans must include specifications of the equipment to be used during construction prior to the issuance of any demolition permits. If any of these alternative measures are proposed, the plan shall be accompanied by a letter signed by a qualified air quality specialist, verifying the equipment included in the plan meets the standards set forth in this mitigation measure.

- 41) MM BIO-1.1 Preconstruction Bird Surveys. The applicant shall schedule all on-site tree removal, demolition and grading to occur outside of the nesting and breeding season (February 1 through September 1) of any given year to avoid nest disturbance. If this schedule is not practical or feasible, the applicant shall hire a qualified biologist to conduct preconstruction nesting bird surveys of the site plus a 100-foot perimeter around the site, no more than seven days prior to removal of trees and grading. If nesting birds are observed, the biologist will establish a buffer zone where no tree removal or grading will occur until the biologist confirms that all chicks have fledged and are no longer reliant on the nest. The buffer zone may vary from 50 to 250 feet, depending upon the species of bird and exposure of the nest site.
- 42) MM CR-2.1 Inadvertent Discovery of Archaeological Resources. In the event the buried, or previously unrecognized archaeological deposits or resources are encountered during ground disturbing activities, work shall be temporarily halted within a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified professional Archaeologist has evaluated the situation and provided appropriate recommendations. Project personnel shall not collect cultural resources. Construction and potential impacts to the area(s) within a radius determined by the archaeologist shall not recommence until the assessment is complete.
- If any tribal cultural resources are found, the project applicant and/or its contractor shall cease all work within 50 feet of the discovery and immediately notify the City of East Palo Alto Planning Division. Potentially significant Native American resources consist of but are not limited to chert or obsidian flakes, projectile points, mortars, and pestles; and dark friable soil containing shell and bone dietary debris, heat-affected rock, or human burials. The tribal monitor(s) will contact the tribal representative(s) and in consultation with the City and an archeologist evaluate the finds. Appropriate mitigation measures for the

inadvertently discovered tribal cultural resource shall be at the direction of tribal leadership. The City and tribal representative(s) shall consider the mitigation recommendations and agree on implementation of the measure(s) that are feasible and appropriate. Such measures may include reburial of any ancestral remains, avoidance, preservation in place, excavation, documentation, or other appropriate measures.

- 43) MM CR-2.2 Inadvertent Discovery of Human Remains. In the event that human remains (or remains that may be human) are discovered at the project site, Public Resource Code Section 5097.98 must be followed. All grading or earthmoving activities shall immediately stop within a 50-foot radius of the find. The project proponent shall then inform the San Mateo County Coroner and the City of East Palo Alto immediately, and the Coroner shall be permitted to examine the remains as required by California Health and Safety Code Section 7050.5(b).

Section 7050.5 requires that excavation be stopped in the vicinity of discovered human remains until the Coroner can determine whether the remains are those of a Native American. If human remains are determined as those of Native American origin, the applicant shall comply with the state relating to the disposition of Native American burials that fall within the jurisdiction of the NAHC (Public Resource Code [PRC] § 5097). The Coroner shall contact the NAHC to determine the most likely descendant(s) (MLD). The MLD shall complete his or her inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site. The MLD will determine the most appropriate means of treating the human remains associated grave artifacts, and shall oversee the disposition of the remains.

In the event the NAHC is unable to identify an MLD or the MLD fails to make a recommendation within 48 hours after being granted access to the site, the landowner or his/her authorized representative shall rebury the Native American human remains and associated grave goods with appropriate dignity within the project area in a location not subject to further subsurface disturbance.

- 44) MM GEO-5.1 Final Geotechnical Evaluation. A construction level geotechnical evaluation shall be required for the project. The project shall be required to adhere to and incorporate all standards and recommended engineering measures to mitigate for liquefaction, expansive soils and other local soil constraints. The final geotechnical evaluation will be provided to the City for review and approval prior to the issuance of building permits.

- 45) MM GEO-6.1 Inadvertent Discovery of Paleontological Resources. In the event that fossils or fossil-bearing deposits are discovered during construction activities, work shall be temporarily halted with a 50-foot radius of the discovered materials and workers should avoid altering the materials and their context until a qualified paleontologist has evaluated the situation and provided appropriate recommendations. Construction and potential impacts to the area(s) within a radius determined by the paleontologist shall not recommence until the assessment is complete.

If it is determined that the proposed development could damage unique paleontological resources, mitigation shall be implemented in accordance with Public Resources Code Section 21083.2 and Section 15126.4 of the CEQA Guidelines. Possible mitigation under Public Resources Code Section 21083.2 requires that reasonable efforts be made for resources to be preserved in place or left undisturbed. If preservation in place is not feasible, the applicant shall mitigate significant effects. Excavation as mitigation shall be limited to those parts of resources that would be damaged or destroyed by a project.

Possible mitigation under CEQA emphasizes preservation-in-place measures, including planning construction avoid paleontological sites, incorporating sites into parks and other open spaces, covering sites with stable soil, and deeding the site into a permanent conservation easement. Under CEQA Guidelines, when preservation in place is not feasible, data recovery through excavation shall be conducted with a data recovery plan in place.

- 46) MM GHG-1.1 Transportation Demand Management Plan. Prior to approval of project entitlements for future residential uses, the project applicant shall prepare qualifying Commute Trip Reduction (CTR)/Transportation Demand Management (TDM) plan to reduce mobile GHG emissions for all uses. The TDM plan shall be approved by the City of East Palo Alto and any physical features resulting from the plan shall be shown in final improvement plans. The TDM plan shall discourage single-occupancy vehicle trips and encourage alternative modes of transportation such as carpooling, taking transit, walking, and biking. The following measures or equally effective measures shall be incorporated into the TDM plan.
- The project applicant shall consult with the local transit service provider on the need to provide infrastructure to connect the project with transit services. Evidence of compliance with this requirement may include correspondence from the local transit provider(s) regarding the potential need for installing bus turnouts, shelters or bus stops at the site.
 - The CTR/TDM plan for the project shall include, but not be limited to the following potential measures: ride-matching assistance, preferential carpool parking, flexible work schedules for carpools, half-time transportation coordinators, providing a web site or message board for coordinating rides, designating adequate passenger loading and unloading and waiting areas for ride-sharing vehicles, and including bicycle end of trip facilities. This list may be updated as new methods become available. Verification of this measure shall occur prior to building permit issuance for the commercial uses.
- 47) MM HAZ-1.1 Asbestos Operation and Management Plan. Prior to demolition and removal of material from the site, the project applicant shall implement the recommendations of the 2014 Asbestos O&M Plan for work involving asbestos-containing material. These measures include asbestos training and specific work procedures for employees managing asbestos contaminated materials, notification procedures for building owners and occupants, asbestos clean-up and emergency response procedures, and recordkeeping of identified asbestos contaminated materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation.
- 48) MM HAZ-1.2 Lead Based Paint and PCB Operation and Management Plan. Prior to any renovations or demolition, the project applicant shall implement the recommendations of the LBP O&M Plan for work involving lead based painted surface areas to be carried out. These measures include training and special work procedures for employees managing lead-based paint materials, notification procedures for building owners and occupants, emergency response procedures, and recordkeeping of identified lead-based paint materials. The plan shall be reviewed and approved by the City of East Palo Alto prior to implementation. The project shall also follow current San Francisco Bay Regional Water Quality Control Board requirements for identifying and controlling PCB's during building demolition, if present.

- 49) MM N-1.1 Construction Noise Reduction. Prior to Grading Permit issuance, the applicant shall demonstrate, to the satisfaction of the City of East Palo Alto Director of Public Works or City Engineer that all applicable construction plans and specification include the following measures:
- Construction activities shall be restricted to daytime hours of between 7:00 a.m. and 8:00 p.m. on weekdays.
 - Prior to the start of construction activities, the construction contractor shall:
 - Maintain and tune all proposed equipment in accordance with the manufacturer's recommendations to minimize noise emission.
 - Inspect all proposed equipment and should fit all equipment with properly operating mufflers, air intake silencers, and engine shrouds that are no less effective than as originally equipped by the manufacturer.
 - Post a sign, clearly visible at the site, with a contact name and telephone number of the City of East Palo Alto's authorized representative to respond in the event of a noise complaint.
 - Place stationary construction equipment and material delivery in loading and unloading areas as far as practicable from the residences.
 - Limit unnecessary engine idling to the extent feasible.
 - Use smart back-up alarms, which automatically adjust the alarm level based on the background noise level, or switch off back-up alarms and replace with human spotters.
 - Use low-noise emission equipment.
 - Limit use of public address systems.
 - Minimize grade surface irregularities on construction sites.
- 50) MM TRA-2.1 Traffic Calming Measures. Prior to operational use of the parking garage, the project applicant shall install traffic calming measures at the Bayshore Road/Manhattan Avenue location to reduce traffic speeds and improve the safety of driveway movements. Such measures could include advisory speeds signs, advanced warning signage along Manhattan Avenue and Bayshore Road, roadway bulbouts, raised dots, parking restrictions or other physical improvements. Final traffic calming measures will be determined in consultation with City of East Palo Alto Public Works staff during review of improvement plans.
- 51) MM UTIL-3.1 Fair Share Funding of Project Improvements. The project applicant shall either fund the fair share of construction of physical sewer line improvements (pipe upgrades) immediately downstream of the project, provide fair share funding toward system wide sanitary sewer system improvements, or a reasonable combination of both. The project's financial and implementation responsibility for sewer capacity improvements shall be determined in consultation with the City of East Palo Alto Public Works Department. Fair share funding of common improvements to the city-wide system would also address the project's contribution to significant cumulative effects. Funding or construction of common improvements shall occur prior to the issuance of building permits or as determined by the City. The project's fair share of responsibility shall be proportionate to the impact. The project shall not be responsible for mitigating all existing deficiencies.

Housing DivisionPrior to the Issuance of Building Permits:

- 52) Payment in full of Inclusionary In-Lieu Fee. The final Inclusionary Housing In-Lieu Fee shall be paid in accordance with the terms of the Development Agreement adopted by Ordinance No. _____.

Prior to Certificate of Occupancy:

- 53) All subsequent actions taken by the Applicant related to the residential units in the Project shall be consistent with the Tenant Relocation Plan, as approved by the City Council.
- 54) Final Inspection Approval, Temporary Certificate of Occupancy, Certificate of Occupancy, and Notice of Completion for any units will be issued in accordance with the Inclusionary Housing obligations specified in the Development Agreement (Ordinance No. ____).

Building DivisionAt Building Permit Submittal

- 55) A digital copy of the plans must be submitted for building review and must include the digital submittal of all relevant supporting documents, including but not limited to structural calculations, energy compliance forms, soils report, etc.
- 56) Plans submitted for building review must be designed to the 2022 California Building Codes or the code in effect at the time of submittal.
- 57) Please imprint the Conditions of Approval on the plans submitted for building permits.
- 58) A soils investigation report shall be submitted containing design recommendations. Additionally, a signed and stamped letter from the Geotechnical Engineer or Civil Engineer who prepared the soil investigation shall be submitted stating the following:
- a. The plans and specifications substantially conform to the recommendations in the soil investigation.
 - b. The Geotechnical Engineer or Civil Engineer who prepare the soil investigation has been retained to provide soil site observation and provide periodic and final reports to the City of East Palo Alto.
- 59) Prior to final inspection for any building or structure, the Geotechnical Engineer or Civil Engineer who prepared the soil investigation shall issue a final report stating the completed pad, foundation, finish grading and associated site work substantially conform to the approved plans, specifications and investigations.
- 60) Please imprint, on the submitted plans, the Construction Best Management Practices. To access the standard plan, please visit: <http://www.flowstobay.org/construction>.
- 61) The applicant shall properly complete and incorporate the CAL Green Residential Mandatory Measures in effect at the time of submittal on the plans submitted for building permits. The link to access the form: <http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/443>
- 62) The applicant shall properly complete and incorporate the CAL Green Non-Residential Mandatory Measures in effect at the time of submittal on the plans submitted for building permits. The link to access the form: <http://www.ci.east-palo-alto.ca.us/ArchiveCenter/ViewFile/Item/441>

- 63) Provide a note on the plans submitted for building permits: "At a minimum, 65% of the project waste stream shall be recycled; prior to final project approval, a receipt shall be provided to the building inspector to verify 65% recycling has occurred." Self-hauling is prohibited in the City of East Palo Alto; an authorized hauler shall be utilized.
- 64) All construction and demolition debris shall be contained on-site (not in the public right-of-way) in constantly covered bins, which include adequate service.
- 65) Please note on plan: The City of East Palo Alto Municipal Code Section 15.04.125 limits construction activity to the following hours:
- Monday through Friday: 7:00 AM to 6:00 PM Saturday: 9:00 AM to 5:00 PM
Sundays and national holidays: No activity allowed

Prior Building Permit Issuance

- 66) The installation of site construction trailers will require a separate building permit issued by the Building Division. Plans and specifications must be submitted for review and approval prior to the installation of such structure. Please contact the Building Division for additional information.
- 67) Approval of this Project does not relieve the Applicant from the applicable requirements of subsequent permits and approvals, including but not limited to the following as may be applicable:
- Grading Permit and Improvement Plan
 - Fire Permit
 - School District Development Impact fee requirements
- 68) Prior to the issuance of building permits, the applicant/developer shall submit a waste management plan to the Building and Safety Division. The plan shall include the estimated composition and quantities of waste to be generated and how the project developer intends to recycle at least 65 percent of the total job site construction waste measured by weight or volume. Proof of compliance shall be provided to the Chief Building Official prior to the issuance of a final building permit.

Prior To Final/Occupancy

- 69) A minimum of 10 Days prior to anticipated occupancy, the applicant shall have scheduled final inspections by all Departments requiring conditions of approval.

Engineering Division:

SPECIFIC CONDITIONS OF APPROVAL

- 70) A Final Map shall be filed over the property, prior to issuance of building permits. The Map shall include the following:
- Dedicate additional public right-of-way (fee) on Euclid Avenue and O'Connor Street as needed to provide a consistent 60' wide ROW.
 - Provide a minimum 5' Public Utility Easement on all frontages. The easement width can be modified based on constraints and the final utility design.
 - On Euclid Avenue (Section B-B of the Tentative Map), where the parking and/ or

sidewalk is located outside the ROW, extend the ROW to the curb and provide a sidewalk easement over the sidewalk. Confirm the width of the ROW to match the proposed improvements.

- Provide a public access easement over the private park unless access can be provided through a license agreement or other document. The license agreement or access easement shall be in effect in perpetuity.
- 71) The Applicant shall submit off-site improvement plans, incorporating frontage improvements, utility improvements, and off-site landscaping. The off-site improvement plans shall be submitted with the Building Permit application.
- 72) The Applicant shall construct frontage improvements similar to those shown in the Planning Application. These improvements will include sidewalk, curb, gutter, landscaping, stripping, and other typical frontage items. Additionally, the entire width of Euclid Avenue along the project frontage must be given a minimum of 2-inch grind and overall and road sections along the other frontages must be ground and overlaid for half their width unless otherwise specified in the offsite-improvements plan review.
- 73) Prior to the approval of the off-site improvement plans, the Applicant shall execute a long-term maintenance agreement with the City, covering ownership and maintenance of the various improvements, including streetscaping, the bus stop, and the park.
- 74) The Applicant shall obtain a will-serve letter from the East Palo Alto Sanitary District (EPASD) or then-current provider of sanitary sewer prior to issuance of building permits. The Applicant shall complete sanitary sewer system improvements and/ or provide funding as required by EPASD or the then-current provider of sanitary sewer. At a minimum, any lines identified by EPASD or the then-current provider of sanitary sewer as needing upgrades within the project street improvement limits will be upgraded.
- 75) The 1.5-million-gallon water tank at 375 Donohoe Street shall be constructed in accordance with the terms of the Development Agreement adopted by Ordinance No. _____. Improvements shall be in general conformance with the *Euclid Improvements Water Supply and Fire Flow Systems Report*, by BKF, dated July 23, 2020. An alternate option shown in the Report may be utilized if approved by the City. The design shall be confirmed by a fire flow/pressure analysis, based on the proposed water tank design, confirming the water tank provides adequate storage, flow and pressure to serve the development. The design will be completed by the Applicant with review and approval by the City of East Palo Alto and Menlo Park Fire.
- Water system upgrades shall be consistent with the City's Water Master Plan, the BKF report, and any Menlo Park Fire requirements.
- The developer shall donate the land at 375 Donohoe Street (063-148-110, 063-148-120, 063-148-130) and water tank improvements and all accompanying equipment to the City at issuance of Certificate of Occupancy for the Project site, or later at the discretion of the Public Works Director.
- 76) The Applicant shall provide a solid waste management plan. The plan shall be provided to Recology for review and approval, prior to approval of plans or issuance of Building Permits.
- 77) In accordance with the Phase I Environmental Site Assessment, by WSP dated September 27, 2019, the following shall be completed prior to issuance of demolition permits:
- Asbestos shall be identified and removed in accordance with the 2014 Asbestos

Operations and Maintenance Plan.

- Lead-based paint shall be identified and removed in accordance with the existing lead-based paint Operations and Maintenance Plan.

In addition, the Phase I Environmental Site Assessment notes the possible presence of PCB's on the site. Prior to issuance of demolition permits, a plan shall be prepared for the City's approval and implemented to identify and remove or otherwise mitigate PCBs on the site.

- 78) The Applicant shall provide a final Stormwater Management Plan, including a C.3/C.6 stormwater checklist. The Stormwater Management Plan shall include the following:
- Green Infrastructure Measures should be provided along the project frontage (bulbouts could be used for this).
 - Provide MRP C.10-compliant trash capture measures onsite and along the project frontage.
 - Private stormwater measures shall not be located within the public right-of-way.
 - If non-LID measures are proposed to treat runoff, confirm that the project qualifies as a Special Project and that the percentage of runoff treated by non-LID measures matches the allowed non-LID credit determined in the C.3/ C.6 checklist.
- 79) The Applicant shall provide a hydrologic/ hydraulic analysis of the existing storm drain system and confirm if the existing system has adequate capacity to serve the development. The post-construction flows shall be calculated for a 100-year storm event. Post-construction flows shall not exceed pre-construction flows.
- 80) The existing 24" storm drain line in O'Connor Street and Euclid Avenue shall be upsized to a larger pipe per the City's Storm Drain Master Plan prior to Certificate of Occupancy (Schaaf & Wheeler, 2014). In addition, the existing storm drain crossing Manhattan Avenue at West Bayshore Road shall be upsized per the Master Plan.
- 81) TV camera inspection or other methods shall be completed to confirm the condition of the existing utility system within the limits of the project. The extent of the inspection shall be determined at the time of the improvement plan submittal. Utilities within the project limits that are in poor condition shall be replaced or rehabilitated as needed.
- 82) Unless otherwise approved, domestic water shall be provided to the project by a master City water meter located at the public right-of-way. Units shall be individually metered.
- 83) Unless otherwise approved, water for fire protection shall be provided via a private on site fire line, isolated from the City water system by a double check detector. Calculations shall be provided confirming that adequate flow/ pressure is available for on site fire hydrants and the building sprinkler system.
- 84) The project shall implement the recommendations of the *Woodland Park Euclid Improvements, Transportation Demand Management Plan, Transportation Action Plan*, by TDM Specialists, Inc., as approved by the City.
- 85) The Applicant shall work with the City to develop a pedestrian connection across Manhattan Avenue, connecting the Woodland Park Apartments to the University Circle II development, providing access to the Class I bicycle/ pedestrian trail on University Avenue and the Highway 101 Pedestrian Overcrossing. The location for the crossing shall be at the O'Connor Street intersection, and shall include enhanced measures such as bulbouts and flashing

beacons.

- 86) Provide traffic-calming measures at the Manhattan Avenue/ West Bayshore Road intersection to be incorporated into the offsite improvement plans. Traffic-calming measures shall be based on available sight distance around the intersection and to the parking garage access south of the intersection. Confirm sight distance between southbound traffic on the street and vehicles entering or leaving the garage, or provide measures to address sight distance.
- 87) Provide a photometric analysis to confirm that existing and proposed lighting meets City lighting standards.
- 88) Existing overhead utility lines along the project frontages, or crossing abutting streets, shall be placed underground.
- 89) Signing, striping, and layout for all four public streets around the property shall be in accordance with the Neighborhood Collector Street Design Criteria.

STANDARD CONDITIONS

- 90) ENGINEERING FEES: All review and inspection fees per the City's Master Fee Schedule shall be paid prior to the issuance of any permits.
- 91) DEVELOPMENT IMPACT AND WATER CAPACITY FEES: All Development Impact Fees and Water Capacity Fees shall be paid consistent with East Palo Alto Municipal Code (EPAMC) Chapter 13.28, and Resolutions No. 5004 and No. 5093, and in accordance with the terms of the Development Agreement adopted by Ordinance No._____.
- 92) GRADING PERMIT: Prior to building permit approval, a grading permit shall be obtained from the Engineering Division with payment of fees per EPAMC 15.48. See the following link for an application.
<https://www.cityofepa.org/publicworks/page/grading-permit>
- 93) ENCROACHMENT PERMIT: The developer shall obtain an encroachment permit from the Engineering Division prior to performing any work in the public right-of-way. See the link below for an application.
<https://www.cityofepa.org/publicworks/page/encroachment-permit>
- 94) PUBLIC IMPROVEMENTS: The developer shall provide public street improvements along the project frontage where existing streets (vehicle and/or pedestrian paths) do not meet current City standards. These improvements may include sidewalk, curb and gutter, driveway approach, curb ramp, and any right-of-way dedication. See EPAMC 15.04.040
- 95) CONSTRUCTION VEHICLES, EQUIPMENT, AND MATERIALS: All construction related vehicles, equipment, and materials shall be managed on-site. At no time shall such items be parked or stored in the public right-of-way without an encroachment permit or written approval by the City Engineer.
- 96) TRAFFIC CONTROL: Activities that require temporary closures of sidewalks, vehicle and/or bike lanes, or other public paths shall require review and approval by the Engineering Division through an encroachment permit.
- 97) STORMWATER DRAINAGE: The project shall not create any negative impacts to adjacent properties such as cross-lot drainage. The project shall conform with all C.3/C.6 requirements.

- 98) CONSTRUCTION BEST MANAGEMENT PRACTICES: This project is required to implement stormwater best management practices (BMP) as described by the San Mateo Countywide Water Pollution Prevention Program. **Stormwater Measures shall include full trash capture measures conforming to Section C.10 of the Municipal Regional Permit for Stormwater (5-mm. screens, sized for 1-year, 1-hour storm).** The following sheet in the link below shall be included in the plans.

<https://www.flowstobay.org/wp-content/uploads/2020/04/Countywide-Program-BMP-Plan-Sheet-June-2014-Update.pdf>

- 99) FENCES/WALLS: No new or existing fence and/or wall shall be permitted outside of the property boundary lines. No new or existing concrete (or similar) wall and/or fence is permitted where there is a public easement. The removal of such existing structures shall be required prior to the issuance of any permits.
- 100) WATER METER: This project shall use one public water meter provided by the City's water operator. Any additional water meters shall be purchased by the developer, maintained privately, and stored onsite.
- 101) TRAFFIC CONTROL PLAN: Submit a traffic control plan with the off-site improvement plans for review and approval. The traffic control plan shall include a summary of the traffic control types, dates, times and blocks affected. All construction related materials, equipment, and construction workers parking need to be stored on-site and the public streets need to be kept free and clear of construction debris.

Police Department:

- 102) The Applicant shall submit a security plan for the project to the Police Department for review and comment prior to Certificate of Occupancy. Reasons for review include, but are not limited to the following:
- a. Excessive and/or unexplainable increase in calls for service
 - b. Excessive and/or preventable crimes committed at the residence and/or commercial space.
 - c. Numerous complaints of a valid nature
- 103) Lighting: The Applicant shall provide uniform lighting without glare for scheduled nighttime activities and to permit good observation by neighbors and patrol units after hours.
- 104) Signage: The Applicant shall:
- a. Post "No trespassing/Loitering" signs at entrances of parking lots and other appropriate places. Signs should be at least 2' by 1' in overall size, with white background and black 2" lettering. Section 9.08.010 of the East Palo Alto Municipal Code should be included as a reference on the no loitering signs.
 - b. Post signs at all entrances to the parking area pursuant to section 22658(a) of the California Vehicle Code to assist management with removal of unwanted vehicles per the parking manager's request.
- 105) Parking Structure: The Applicant shall include the following in building permit plans:
- a. The interior structure be painted a light, highly reflective color.
 - b. Metal halide or other bright white light sources shall be utilized. No dark areas should exist inside the structure.
 - c. All storage, maintenance, and trash rooms within the parking garage shall have doors which cannot be locked from the inside, and that close and lock quickly and automatically upon exit.

- d. Alcoves and other visual obstructions that might constitute a hiding place shall be eliminated whenever structurally possible. Pillars, columns, and other open construction should be utilized over a solid wall design.
 - e. Whenever possible, stairwells shall be of open design. When, by necessity, a stairwell is enclosed, convex mirrors should be placed at each stairwell landing, and the stairwell doors should employ as much transparent material as fire code allows.
 - f. Convex mirrors shall be placed inside elevator cabs.
 - g. Access control shall be utilized for vehicular and pedestrian traffic.
 - h. A clearly marked, hands free emergency phone or panic alarm shall be placed centrally in the structure.
 - i. No trespassing/loitering signs shall be placed at all entrances and other appropriate locations.
 - j. Panic button call boxes shall be integrated with a video surveillance system.
- 106) Building:
- a. Stairs shall be well lit with open handrails to allow visibility and prevent hiding spaces.
 - b. Risers shall be enclosed along with the area under the stairs should be enclosed and inaccessible for any use.
 - c. It is advisable to have surveillance equipment for enclosed stairwells and motion detection at main access points.
- 107) Landscaping:
- a. Landscaping shall be well maintained and trimmed so that natural surveillance is not hindered.
 - b. Shrubs shall be kept less than three feet in height and trees should be pruned to a height of 10 feet, consistent with the approved Landscape Plan.
 - c. Walkways shall be direct, follow natural pathways and avoid blind corners.
 - d. The walkways and access points to the open space shall be illuminated and visible.
- 108) Roof Top:
- a. One of the following shall be utilized on all skylights: Rated burglar-resistant glass or acrylic material or iron bars of at least one half-inch diameter, or flat steel bars of at least one quarter-inch width, spaced no more than five inches apart under the skylight and securely fastened, or grill of at least one eighth-inch steel and two-inch mesh
 - b. All hatchway openings on the roof of any building should be secured as follows: If the hatchway is wooden, it should be covered on the outside with at least 16 gage sheet steel or its equivalent, attached in a manner making removal difficult. The hatchway shall be secured from the inside with a slide bar or slide bolts. Only a crossbar or padlock provided by the fire marshal shall be used. Outside pin-type hinges on all hatchway openings shall have non-removable pins.
- Exterior rooftop ladders should be eliminated or incorporated into the interior design.
 - All air duct or vent opening exceeding 8" by 12" on the rooftop or exterior walls of any building shall be secured by means of:
 - Iron bars of at least one half-inch diameter, of flat steel bars of at least one quarter-inch width, spaced no more than five inches and securely fastened,
 - Grill of at least one eighth-inch steel and two-inch mesh,
 - If the barrier is on the outside, it shall be secured with galvanized

rounded-head, flush bolts of at least 3/8" diameter.

Menlo Park Fire Protection District

- 109) Project will comply with current minimum CA State adopted Fire and Building Codes and local Ordinances at time of plan submittal.
- 110) Water Supply: Applicant has provided a separate engineered fire flow modeling report dated 11-18-19. This document submitted to Menlo Park Fire Protection District has been correctly calculated, however the following conditions outlined below must be addressed. CFC 2016, Sec. 507.5.1 Appendix B Section 105.2 & Table 105.1:
- a. The 50% reduction is not approved at this time until the outstanding infrastructure improvements to the water mains are finalized with the City of East Palo Alto. This area does not meet minimum State fire flow requirements.
- 111) Public hydrants shall be required at a minimum 300 foot spacing, which will require new fire hydrants installed on all public street (Euclid Ave, O'Connor St, Manhattan Ave, W Bayshore Rd, & O'Keefe St). Be advised fire hydrant minimum spacing is 300 feet but based on the fire flow requirements that spacing may be reduced to less than 300 foot distance. All hydrants to comply to the following:
- a. All fire hydrants shall be wet barrel standard steamer type with 1 4 1/2" (114.3 mm) and 2 2 1/2" (63.5 mm) outlets. MPFPD CFC Sec. 507.5.1 Appendix C:
 - All existing fire hydrants located within 300 foot distance to any new building shall be required to be upgraded to charging condition above.
 - b. Public Fire hydrant shall be positioned within 50 feet from Fire Department Connection (FDC).
 - c. Fire Flow Modeling Report page 3 item #2c for Buildings A, B, & C, refer to "maximum distance from any point on the street or road frontage to a hydrant with 50% increase". This shall be amended to only allow a 150 foot distance from any point on the street to a required fire hydrant.
- 112) The Fire Flow Modeling Report has specific requirements outlined for "Standpipe System Demand", "Fire Pump Sizing", and static "Secondary Water Storage Tank Capacity" requirements. These items shall be addressed for compliance as part of the Building Permit Review.
- 113) Fire Apparatus Access: Fire Apparatus Access is to be provided along Euclid Ave, O'Connor St, and Manhattan Ave, these to meet public access for covered and open parking. Aerial Ladder Access to be established along entire public roadway fronting subject properties where overhead electrical wiring shall not be located, the aerial ladder placement shall meet the prescriptive distance requirements outlined in CFC Appendix D105 (2019 edition). The following are general access requirements that apply to subject project:
- a. Fire apparatus roadways, including public and private streets, shall be capable of supporting the imposed weight of a 75,000 pound (34,050 kg) fire apparatus and shall be provided with an all-weather driving surface. Only paved or concrete surfaces are considered to be all weather driving surfaces. CFC Appendix D (2019 edition).

- b. NOTE ON FIELD PLAN: Fire apparatus roadways, including public or private streets or roads used for vehicle access shall be installed and in service prior to construction. Fire protection water serving all hydrants shall be provided as soon as combustible material arrives on the site:
- PRIOR TO COMBUSTIBLE MATERIAL ARRIVING ON THE SITE, CONTACT THE MENLO PARK FIRE PROTECTION DISTRICT TO SCHEDULE AN INSPECTION OF ROADWAYS AND FIRE HYDRANTS.
- c. For buildings 30 feet (9144 mm) and over in height (plan illustrates buildings will range from 5 level, & 9 up to 13 Levels) above natural grade, the required fire apparatus access private roadway shall be a minimum of 26 feet (7925 mm) in width and each building shall be required to have aerial ladder access parallel to at least one entire side of each building, and the fire lane shall be located within a minimum of 15 feet (4572 mm) and a maximum of 30 feet (9144 mm) from the building. CFC Appendix D105 (2019 edition):
- Fire District staging areas to be located along the entire public roadway fronting each building, provide details illustrating Aerial Ladder Truck Minimum and Maximum climbing angles, plan design shall meet minimum and maximum distance requirements if a climbing angle is less than 50 degrees the roadway shall be adjusted to comply to the charging condition listed above. Note Aerial Ladder requires minimum 4' setback on any side to allow for outriggers.

From: [Mike Shah](#)
To: [Kelly Beggs](#)
Cc: [Elena Lee](#)
Subject: Re: Woodland Park Euclid Improvements: Final EIR and July 25, 2022 Public Hearing Notice
Date: Sunday, July 17, 2022 9:33:22 AM

This project is a **HUGE problem** in the community and **should NOT be allowed to proceed**. I have tried several times sharing this with the city and commission. **STOP WOODLAND APT they are a cash guzzling machine**. EPA city council and planning should understand that the real people are not happy with increased parking problem, huge water tank spoiling the area, increased accident risk, risk to small kids on the road, increased density, decreased pedestrian safety, decreased space per individual etc.

- City should revoke Woodland apts
- Community feels this project should be cancelled immediately
- So Why EPA city wants to proceed? They should not proceed.
- Woodland apts are only interested in \$\$\$
- They destroy the community
- Stop the monopoly and solve real issues like the ugly parking problem on Euclid and Hamilton st, Okeefe st,
- Loud noises are making the EPA section like a 3rd world country
- Why is city bent on drawing lines between EPA and Menlo Park/Palo Alto?
- This is racial profiling and biased
- increased parking problem,
- huge water tank spoiling the area, i
- ncreased accident risk,
- risk to small kids on the road,
- increased population density,
- decreased pedestrian safety,
- decreased space per individual

On Fri, Jul 15, 2022 at 2:25 PM Kelly Beggs <kbeggs@cityofepa.org> wrote:

Hello,

Please find the Final Environmental Impact Report (FEIR) for the Woodland Park Euclid Improvements Project published online at the project website:

<https://www.cityofepa.org/planning/project/woodland-park-euclid-improvements-general-plan-amendment-zoning-amendment-and>

A direct link to the FEIR is located here:

https://www.cityofepa.org/sites/default/files/fileattachments/planning/project/19369/euclid_feir_mmrp.pdf

Please also find attached the public notice for the July 25th Planning Commission Hearing on the project.

Best,

Kelly

Kelly Beggs

Contract Planner

City of East Palo Alto

1960 Tate St

East Palo Alto, CA 94303

628.222.5985

kbeggs@cityofepa.org

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July 19, 2022

East Palo Alto Planning Commission
2100 University Avenue
East Palo Alto, CA 94303

Dear Honorable Members of the Planning Commission,

For seven decades, the San Mateo County Economic Development Association (SAMCEDA) has been a leading voice for the economic engine that is San Mateo County. SAMCEDA believes in the power of a strong economy driven by an appreciation of what that engine provides to our ecosystem on the Peninsula.

By working with employers of all sizes and industries, engaging with our public sector and our elected leadership, recognizing that we have 21 individual jurisdictions (20 cities and one county) and collaborating and communicating with the Chambers of Commerce, non-profit organizations and our educational institutions, SAMCEDA tackles the most difficult challenges through goal-oriented solutions.

SAMCEDA has supported land use development projects that enhance the economic, environmental, living and transportation qualities that are important to businesses, communities, and residents in San Mateo County. Emphasizing a collaborative approach between public, private, and community stakeholders throughout the development process, SAMCEDA supports projects that have the potential to bring direct benefit to the communities, cities and surrounding areas in which they are located.

We continue to support high-quality projects that improve the quality of life in San Mateo County, which is why the SAMCEDA Board of Directors is pleased to endorse *Woodland Park Euclid Improvements* in East Palo Alto.

The *Woodland Park Euclid Improvements* proposes to increase the number of homes from 161 to 605, creating mixed-income housing with no displacement of existing residents. The proposal will include 160 rent-stabilized units, with first priority going to existing tenants, and will provide for 89 below-market-rate affordable units at deep affordability levels between 35% - 60% of area median income. It will provide significant community benefits, including a new public park space and significant local infrastructure improvements. The project team went above and beyond in seeking community input, hosting 32 community meetings, information booths, and small group listening sessions before submitting a project application and five additional community meetings and information sessions after submission.

We are also encouraged that the project will be an economic and employment driver in East Palo Alto and San Mateo County. According to the project's fiscal impact analysis, it will generate over \$1.1 million per year of positive net fiscal impact to the City's general fund, and

Attachment: Planning Commission Meeting Public Comments (2406 : Woodland Park Euclid Improvements)



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will create over 1,500 job years during construction, and 119 direct, indirect, and induced jobs over the long term.

We are optimistic that this project will successfully accomplish multiple regional and local priorities in terms of increasing the housing supply, improving affordable housing, spurring economic growth, promoting energy-efficient and environmental design and advancing the livable communities model that our region, county and communities have envisioned.

Best Regards,

Rosanne Foust
President & CEO, SAMCEDA

Attachment: Planning Commission Meeting Public Comments (2406 : Woodland Park Euclid Improvements)

July 18th, 2022

To Whom It May Concern:

The Housing Action Coalition is pleased to endorse Sand Hill Property Company's Euclid Improvements proposal for Woodland Park in East Palo Alto. After a detailed presentation, our Project Review Committee determined the project exceeds our high standards in addressing our regional housing shortage.

The Committee applauds the project team for undertaking a community-centered approach, as Sand Hill hosted 32 community meetings, information booths, and small group listening sessions before submitting a project application and five additional community meetings and information sessions after submission. Additionally, Sand Hill created relocation commitments after receiving valuable tenant input. These included granting current residents fully paid moving expenses, the right of return to the new apartments, a guarantee to pay the same rent upon return, a choice of a nearby apartment during construction, and a comparable number of bedrooms and square footage. After these discussions and commitments, Sand Hill constructed a plan that exceptionally meets the region's housing needs.

The project will increase the number of homes from 160 to 605 through a variety of building types. These new buildings would range between 5 and 13 stories, transforming a site that is currently comprised of lower density housing types. The Committee specifically commends Sand Hill's prioritization and commitment to affordability and community. The project will provide 160 rent-stabilized homes offered to the current tenants at their current rent levels. Additionally, Sand Hill will build 75 BMR homes offsite in partnership with Eden Housing. These homes would be available to residents at 35%, 50%, and 60% of Area Median Incomes, which goes above and beyond the affordability requirements. To further enhance community space, Sand Hill plans to build a community park, accessible to all residents, in parity with on-site retail spaces. Lastly, the project will provide 369 bike parking spaces and 625 car parking spaces. Given the site's proximity to public transit, the Committee encourages the project team to explore increasing bike parking and open space at the expense of the parking structure, but we understand the reality of financing, feasibility, and community concerns.

The Housing Action Coalition applauds the project team for striving to achieve the best possible project for the community. Ultimately, we are proud to endorse Euclid Improvements at Woodland Park, which will provide well-designed and well-located homes that help address our region's ongoing affordability and displacement crisis.

Sincerely,



Todd David, *Executive Director*

Attachment: Planning Commission Meeting Public Comments (2406 : Woodland Park Euclid Improvements)

July 20, 2022

East Palo Alto Planning Commission
2415 University Ave.
East Palo Alto, CA 94303
SENT VIA EMAIL

RE: Support for Euclid Avenue Improvements

Dear Honorable Members of the Planning Commission,

The Bay Area Council is an employer sponsored public policy and advocacy organization dedicated to solving our region's most challenging issues and improving the quality of life for everyone who calls this region home. On behalf of our over 300 members, I write in support of the proposed Woodland Park Euclid Improvements by Sand Hill Property Company.

California is experiencing an unprecedented housing crisis that will worsen without significant intervention. The California Department of Housing and Community Development estimates that the state must plan for 2.5 million new units of housing by 2030 to address the state's housing affordability crisis – an estimated 312,500 units annually and over 200,000 more units than we are currently permitting. This shortage continues to disproportionately impact low-income communities and communities of color that are being priced out of Bay Area communities by the lack of housing options. To combat this, every county and city must do its part to produce more housing at all levels of affordability.

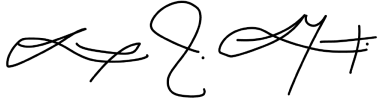
East Palo Alto remains challenged by high housing costs driven in large part by the shortage of new homes being built across our region. The proposed Euclid Improvements is a great opportunity to replace 160 rent-stabilized units with 160 new rent-controlled units, 445 market rate units, and 0.9 acres of public open space. The development will also provide funding and land for 89 deeply affordable units at another location in East Palo Alto. The site is a prime location for mixed-use development, and while we believe it should include even more housing, we understand the dynamics that make it difficult to include additional density.

In addition to housing, the development will provide 0.9 acres of open space, including a large public park space in an area where very little parks and open spaces exist. Euclid Improvements leads in environmental design, pursuing LEED certification and planting 2.3 trees for every tree it removes to build a green, people-centered community.

We are also impressed with Sand Hill's involvement with the East Palo Alto community, receiving feedback early on to incorporate input from neighbors and community stakeholders into their proposal, including inspiring the final project design.

This site is an excellent candidate for dense, mixed-use development and meets all accepted smart growth standards. The project is a clear example of sustainable and inclusive growth for future generations, and we encourage you to support it.

Sincerely,

A handwritten signature in black ink, appearing to read 'Louis Mirante', written in a cursive style.

Louis Mirante
Vice President, Bay Area Council

MEMO

TO: East Palo Alto Mayor, City Council, Planning Commission & City Attorney’s office
FROM: Bernadette M. St. John, JD
DATE: July 24, 2022

RE: My comments for the July 25, 2022 zoom meeting re 2001 Manhattan Ave., EPA and 1.5 million gallon water tank offsite at 375 Donohoe Ave., EPA.

Good evening,

Thank you to everyone here this evening and to all those who serve our city of East Palo. My name is Bernadette St. John. I am a homeowner in East Palo Alto for the last 23 years. I am President of our Homeowner’s Association. And I have worked in Special Education for Palo Alto Unified School District for the last 12 years. I also have a translating/interpreting business that serves our local community. Thank you for inviting the public to be here today and to share our questions, comments and concerns.

We appreciate that the City of EPA is looking for solutions related to water. I have spoken to neighbors and to 2 different water companies (Judy Windt, Board member at O’Connor Water and Daniel McFarland, Manager at Veolia Water). I want to thank them both for their time and for their insights.

Thanks also to Monica Camp and Elena Lee at the City of East Palo Alto for listening to my concerns and for emailing me the zoon info and the agenda.

- So, how big is a 1.5 million gallon water tank? Well, to give a visual - the average Olympic size swimming pool holds 660,000 gallons. So this is roughly the size of 2.27 Olympic swimming pools, crammed onto a small property, thus exerting tremendous pressure on the water tank, the underlying ground and the neighborhood.
- How high will the 1.5 million tank be? What are the exact measurements of the 1.5 million gallon tank? Please advise.

As we know, EPA already grapples with flooding (especially in the Baylands area). This particular location is already low lying & susceptible to flooding. A recent KQED article wrote:

“...When it comes to sea level rise, East Palo Alto will be one of the first and hardest-hit areas of the Bay Area. It’s already prone to flooding now, and the city is leading the way when it comes to community-led solutions. But no matter how hard East Palo Alto works to build its resiliency against sea level rise, it won’t be enough; the Bay Area’s interconnected ecosystem suggests what its neighbors do to combat the issue matters to the entire region’s survival...”

Attachment: Planning Commission Meeting Public Comments (2406 : Woodland Park Euclid Improvements)

<https://www.kqed.org/news/11871855/sea-levels-are-rising-in-the-bay-and-east-palo-alto-is-on-the-front-lines>

- The ground level at 375 Donohoe, EPA is at approximately 30 ‘ above sea level. Thus, a sub-terranean tank below sea level compounds flooding issues and concerns.

EPA Planning Manager Elena Lee told me that she believes that the tank will be 36’ high (approx. 2 stories). Is this correct? So, will the 1.5 million gallon tank be 1/3 above ground (500,00 gallons above) & 1 million gallons below ground? How will it be reinforced? Or ½ above (750,000 gallons above & 750,000 gallons below)?

- Flooding and location. 375 Donohoe is immediately adjacent to the 101. It is also relatively close to 2 fault lines (the Hayward Fault and the San Andreas Fault). During the inevitable 7.0+ earthquake, the immediate release of 1.5 million gallons of water will cause sinkholes, buckle the 101 (freeway) and render it inoperable.

During a major earthquake, the tank walls above and beneath the ground will not hold. The commensurate flooding will buckle the 101 freeway. It would cut off traffic on this major transport artery during this emergency. The 101 freeway could be left inoperable – perhaps for months.

- Why would the City of East Palo choose to incur this level of liability and danger? Why is the City of East Palo Alto considering placement of this water tank in such a high density neighborhood street (with homes, cars, families, a church, etc. in the immediate vicinity)?
- East Palo Alto needs to act in the interest and safety of its citizens and constituents. East Palo could instead follow the lead of other towns and cities who build and store its water tanks outside of densely populated neighborhoods and major vital freeways. For example, look to San Diego, who is building a water tank under their local park trails. Thus, San Diego residents do not have to deal with the eye sore of water towers nor the concern of it flooding their immediate neighborhood.
- What better choices can we make to truly be “One East Palo Alto” as the city website says? We need a safer location for this 1.5 million tank and/or expand our water pipes and infrastructure. A location that does not endanger our citizens and subject our City of East Palo Alto to liability due to the consequences of this ill proposed location.
- Closer to home, we can look to Palo Alto, who stored their municipal water tank under the sports fields (opposite the Stanford Shopping Center). Again, this is not an ideal location, however it is better that it is stored under a park and would not shut down the 101 due to flooding during an earthquake.

- Additionally, proper notice for this meeting was not given. I received a hard copy notice of the hearing in my mail on Thurs. 7/21/22. The notice says that questions /concerns are to be raised 5 days or more prior to the hearing. Thus, many people were not given ample notice of this important hearing. The notice is adversarial and says, *“A challenge to the above item in court may raise only those issues that were raised at the public hearing described in this notice or in written correspondence to the City of East Palo Alto at, or prior to the public hearing.”*
- Who is the developer for both projects – at 2001 Manhattan and at 375 Donohoe? Is it Woodland? Sand Hill Property Company? Another company? Why won't the developer construct and place the 1.5 million water tank at 2001 Manhattan Ave? Liability concerns?
- What recourse do neighbors in the community have when the 1.5 million gallon tank inevitably either: leaks, gets contaminated, contains insects or rodents and or explodes? What is the plan for water tank maintenance? And who is doing the maintenance?
- The city of Lemoore, CA had a 1.5 million water tank that exploded last year. It caused a tsunami of water, killed one employee (40 year old Mr. Dion Jones, a carpenter and father of 3), may he rest in peace. The water tank explosion injured others and contaminated their water supply. Here are 2 videos that show both the explosion and the aftermath. Please watch. <https://www.youtube.com/watch?v=nWSCEPFlacY> and <https://www.youtube.com/watch?v=g5zYNqTJ0Io>
- By placing the water tank at 375 Donohoe, all the neighbors (in addition to being in harm's way) will now need to pay more in insurance due to now living in a flood zone. Effectively, the City of East Palo Alto and /or developer are proposing to build a reservoir at 375 Donohoe Street and in our neighborhood. This is not safe, prudent and too much of a legal liability for the City of East Palo Alto to bear due to the adjacent 101 and the imminent damage that a tank rupture would cause to the 101.
- Developers who want to “cash in” on development in East Palo Alto also need to shoulder their expense of water infrastructure upgrade. EPA's water system was implemented in 1939. And EPA is conservative in its water use:
 - Hillsborough uses 215.8 gallons per capita per day
 - Bear Gulch uses 153.1 gallons per capita per day
 - Palo Alto 90 gallons per capita per day
 - Menlo Park 67.2 gallons per capita per day
 - East Palo Alto 38.1 gallons per capita per day.

We all need to collaborate to find workable solutions to our city's water concerns. Alas, the proposal for 375 Donohoe to house a 1.5 million gallon tank is not the correct location/solution. Keep looking for a safer location. Thank you for your time.



July 25th, 2022

East Palo Alto Planning Commission

RE: Endorsement of Euclid Improvements at Woodland Park

Dear East Palo Alto Planning Commission,



For over 60 years, Greenbelt Alliance has helped create cities and neighborhoods that make the Bay Area a better place to live. Greenbelt Alliance's Climate SMART—Sustainable, Mixed, Affordable, Resilient, Transit-Oriented—Development Endorsement Program provides support for projects that advance the right kind of development in the right places. By promoting climate-smart development we can create thriving, resilient neighborhoods with ready access to transit and housing choices for all of the Bay Area's people.

After careful review, Greenbelt Alliance is pleased to endorse the proposed Euclid Improvements at Woodland Park project.

Euclid Improvements is the model of what a Climate SMART zero-displacement project should look like when replacing out-of-date residential buildings in a low-income community. This project goes above and beyond our Climate SMART goals as this project will increase the housing supply, provide better parking and mobility options, increase the climate resilience and provide a significant amount of affordable housing. Of the 605 units they plan to replace the 160 rent stabilized units and allow all tenants of the original units the right to return to a new rent stabilized unit. They will also be providing for an additional 89 off-site affordable units at deep affordability levels.

On the environmental side, according to their GreenTrip certification, this project will result in 1,628 fewer miles driven every day compared to the San Mateo County average and 9% fewer GHG impacts every day compared to the San Mateo County average. In addition to being LEED certified, 2.3 trees will be planted for every tree removed and they are working to keep as many trees as possible on the property. Additionally, they are building a 1.5 million gallon water tank and pump system in a nearby location to serve the project and the broader neighborhood to increase water pressure for fire suppression and increase overall fire protection.

This development would not only contribute to meeting the city's Regional Housing Needs Allocation (RHNA) goals, but also target both low income and Missing Middle housing. In Euclid Improvements at Woodland Park, the City of East Palo Alto has the opportunity to create new, infill housing that will contribute to the State of California's collective efforts to respond to our ongoing housing crisis.

Greenbelt Alliance believes **Euclid Improvements at Woodland Park** will play a pivotal role in reimagining a more resilient and inclusive East Palo Alto for all residents to enjoy and we are proud



to give this project our endorsement! We hope its approval will inspire cities around the Bay Area to redouble their efforts to grow smartly.

Sincerely,
Jordan Grimes

A handwritten signature in black ink, appearing to read "Jordan Grimes", with a long horizontal stroke extending to the right.

Resilience Manager, Greenbelt Alliance



July 25, 2022

East Palo Alto Planning Commission
2415 University Avenue
East Palo Alto, CA 94303

Re: Support Woodland Park Euclid Improvements - Housing Leadership Council of San Mateo County

Dear Members of the East Palo Alto Planning Commission,

The Housing Leadership Council of San Mateo County (HLC) works with our communities and their leaders to produce and preserve quality affordable homes.

On behalf of HLC, I'm writing to express our support for the Woodland Park Euclid Improvements proposal by the Sand Hill Property Company - which seeks to renovate 160 existing rent controlled homes at existing rents, and include 445 new homes; 89 of which will be affordable. HLC's Board spent significant time deliberating over this proposal and came to the conclusion that it is the best option for your city to keep those existing homes habitable for your residents, while also providing additional affordable homes for your community members - which is why we support this proposal.

Thank you for the opportunity to comment. We urge you to support the Woodland Park Euclid Improvements proposal and to move it forward to your leaders on the City Council for a decision.

Sincerely,

Ken Chan
Organizer

Housing Leadership Council of San Mateo County
2905 S. El Camino Real, San Mateo, CA 94403 • (650) 242-1764 • hlcsmc.org

From: [Elena Lee](#)
To: [Kelly Beggs](#)
Subject: Fwd: Euclid Improvements Comment
Date: Monday, July 25, 2022 9:51:23 PM

Begin forwarded message:

From: Webster <web2linc@gmail.com>
Date: July 25, 2022 at 9:49:38 PM PDT
To: Planning Commission <planningcommission@cityofepa.org>
Cc: Michael Mashack <mmashack@cityofepa.org>, Javanni Brown-Austin <jbrown@cityofepa.org>
Subject: Euclid Improvements Comment

I think the area needs to be redeveloped. I support that, but I have two general comments on the water tank and the parking situation.

I share the same concerns that commissioner brown-austin spoke to, since I live and own a condo adjacent to this project. I only saw that a proposed development sign for the water tank was placed a week or two ago, and I almost missed it because it was hidden behind all the cars that currently surround the site, which is ironic considering how terrible the parking situation already is.

This is the first time I'm seeing the illustration of the water tank, and it was only included in the revised plans submitted this month. It makes me question how much planning has gone into this.... Can someone please put more information about the water tank on the city and project website? I actually couldn't find it on the website that was created for this project. But I see it was included in the plans that were revised this month...

I think saying the water tank is a community benefit is a bit of exaggeration, if you consider that woodland park owns a large majority of the apartment complexes and buildings on the west side where fire protection is inadequate. The water tank will not only serve this project, but it will serve any new development that will occur in areas that are owned by woodland park.

What other options have been explored in terms of supplying adequate fire protection for all the proposed development on the West side? Can smaller water tanks be integrated into new buildings or inside the parking structures? This would require the size to be scaled down, but it would probably be enough to meet the needs of this project and some of the surrounding areas as they're redeveloped. Has placing or integrating the water tank with the university circle been explored, where parking is prevalent and barely used?

97% of the existing units being replaced are studios or one bedroom apartments and are already overcrowded as it is given the cost of living. The new development will increase the percentage of two bedroom apartments from 3% of existing units to 30%. Nevertheless, I think parking is going to be terrible for anyone who isn't single, living by themselves, or working within two for three miles

of East Palo Alto (would serve Facebook, Amazon, or at Stanford University employees when people return to office).

CAUTION: This e-mail originated from outside of the organization. Do not click links or open attachments unless you validate the sender and know the content is safe.



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Aaron Welch Planning

Kate White
ARUP

Jeff Wood
The Overhead Wire

August 29, 2022

City Council
City of East Palo Alto
2415 University Ave
East Palo Alto, CA 94303

Dear Councilmembers,

We are pleased to announce that the Woodland Park Euclid Improvements project by Woodland Park Communities qualifies for Conditional GreenTRIP Certification based on the current proposed design and amenities dated October 22, 2021.

Our evaluation demonstrates that the project meets GreenTRIP standards for the Neighborhood place type with daily household driving projected to be no more than 35 daily vehicle miles driven per household, a parking ratio of 1.5 spaces per unit or less, and the provision of at least one traffic reduction strategy. The project offers long term and short term bicycle parking, and will participate in GreenTRIP's Transportation and Parking Survey for monitoring. Upon approval of these conditions, this project will join an esteemed group of certified projects with low traffic and excellent transportation amenities.

Since 1997, TransForm has been working for world class public transportation and walkable communities in the Bay Area and beyond. In 2008, TransForm launched GreenTRIP, a certification program for new residential development, focused on Traffic Reduction and Innovative Parking. GreenTRIP certifies projects that will allow new residents to drive less while increasing their mobility in a variety of ways. When residents have access to affordable homes close to services, jobs and transit, and developments are designed with traffic reduction and innovative parking, there are benefits for all:

- Increased household transportation savings.
- Economic support for locally serving businesses.
- Less freeway traffic and fewer vehicle collisions.
- Improved public health through increased walking and better air quality.
- Greater demand and support of transit services.
- Reduced greenhouse gas emissions, supporting compliance with SB375 and AB32.

The project meets the GreenTRIP Certification Standards for the "Neighborhood" place type. The Place Type is determined according to definitions set forth by the Metropolitan Transportation Commission's (MTC) Station Area Planning Manual, 2007. GreenTRIP Certification standards are designed according to these Place Types and tailored to create a feasible yet innovative standard.

The following describes how Woodland Park Euclid Improvements meet the criteria for Standard Certification:

1. The project is projected to create less than 35 miles driven/household/day.

Using GreenTRIP Connect for estimating greenhouse gas emissions, we project that future residents will drive 21 miles per day per household, or 66% less than the Bay Area regional average of about 62 miles per household per day. The primary reasons for reduced driving are the project's density, location, and proximity to transit.

2. The project will not exceed more than 1.5 residential parking spaces per unit and will provide secured and protected bicycle parking spaces on-site.

The conceptual design meets this standard by proposing 625 residential parking spaces for 605 units, or 1.03 spaces per unit. Fewer spaces provided for parking allow more resources to be spent on other community amenities. The project will also include 625 secured bicycle parking spaces and 125 guest bicycle parking spaces, which meets our requirements of 1.0 ratio for long-term and 0.2 ratio for short-term bicycle parking.

3. The project will provide at least 1 of 3 Traffic Reduction Strategies for 40 years (Transit Passes, Carshare Memberships, and/or Unbundled Parking).

Woodland Park Communities will meet this requirement by providing 100% unbundled parking, which separates the cost of parking a vehicle from the cost of housing. This allows residents who do not have vehicles to save money by not having to pay for a parking space that they are not using. The project will also provide deeply discounted SamTrans, Caltrain, or VTA Passes for low-income residents. For residents that do not own a personal vehicle, they will have the option of using carshare subsidies for free or discounted access to nearby carshare vehicles. Both TRS strategies encourage residents to try transit and potentially have new residents develop transit travel habits in their new home.

Please refer to the attached Project Evaluation Report for a summary of the project's benefits. You may also view Certification guidelines here: bit.ly/GreenTRIPHowToGuide.

Since this project is still going through entitlements, we are awarding a Conditional GreenTRIP Standard Certification. We will award a full certification upon city approval of final entitlements, if those entitlements include the following project characteristics:

1. Build no more than 1.5 parking spaces per unit.
2. Install secured residential bike parking spaces at no fewer than 1 per unit.
3. Install publicly accessible guest bike parking spaces numbered at no fewer than 20% of units.
4. Provide one traffic reduction strategy (per the How-to-Guide) for all units.

If any of these characteristics change significantly in the approval process, we will need to re-evaluate the project to determine if the project still meets criteria for GreenTRIP Certification. For more information please refer to our website at: www.GreenTRIP.org.

Sincerely,



Kendra Ma
GreenTRIP Program Manager
(510) 740-9340



GreenTRIP

Traffic Reduction + Innovative Parking

www.GreenTRIP.org

PROJECT EVALUATION REPORT

WOODLAND PARK EUCLID IMPROVEMENTS

2001 MANHATTAN AVE, EAST PALO ALTO, CA
 DEVELOPER: WOODLAND PARK COMMUNITIES

CONDITIONAL CERTIFICATION
 AS OF AUGUST 29, 2022

PROJECTED DAILY DRIVING BY RESIDENTS

GREENTRIP STANDARDS	
LESS THAN 35 MILES/DAY	<input checked="" type="checkbox"/> 21 MILES/DAY
44% less than the regional average household driving of 62 miles/day. Source: MTC Vital Signs and Bay Area Census	EACH HOUSEHOLD IS PROJECTED TO DRIVE 21 MILES/DAY Source: GreenTRIP Connect



APPROPRIATE AMOUNT OF PARKING

GREENTRIP STANDARD	
MAXIMUM 1.5 SPACES/UNIT	<input checked="" type="checkbox"/> 1.03 SPACES/UNIT
Average spaces per home (including guest parking), excluding spaces shared with non-residential uses.	625 PARKING SPACES 605 UNITS

WOODLAND PARK EUCLID IMPROVEMENTS ARE PROJECTED* TO RESULT IN:

TRAFFIC REDUCTION STRATEGIES

GREENTRIP STANDARDS	
1 OF 3 STANDARD TRAFFIC REDUCTION STRATEGIES	<input checked="" type="checkbox"/> UNBUNDLED PARKING
The project must have one of three traffic reduction strategies: <ul style="list-style-type: none"> UNBUNDLED PARKING DISCOUNT TRANSIT PASSES FREE CARSHARE MEMBERSHIP 	<ul style="list-style-type: none"> UNBUNDLED PARKING: PAYING FOR A PARKING SPACE IS SEPARATE FROM HOUSING.

66% LESS DRIVING

Each household is expected to drive 21 miles/day rather than the regional average of 62 miles/day
 Source: GreenTRIP Connect, MTC Vital Signs and Bay Area Census

29% LESS GHGs

Each household is expected to emit 11 pounds of GHGs/day instead of 15 pounds of GHGs/day.
 Source: GreenTRIP Connect

PLACE TYPE	NEIGHBORHOOD
GreenTRIP standards are customized for different types of neighborhoods, or "Place Types," as defined by the Metropolitan Transportation Commission's Station Area Planning Manual.	This project meets GreenTRIP Certification standards for the Neighborhood Place Type. Above is an evaluation of how this project satisfies each requirement.

GreenTRIP evaluates how well a proposed residential project design achieves Traffic Reduction and Innovative Parking strategies.

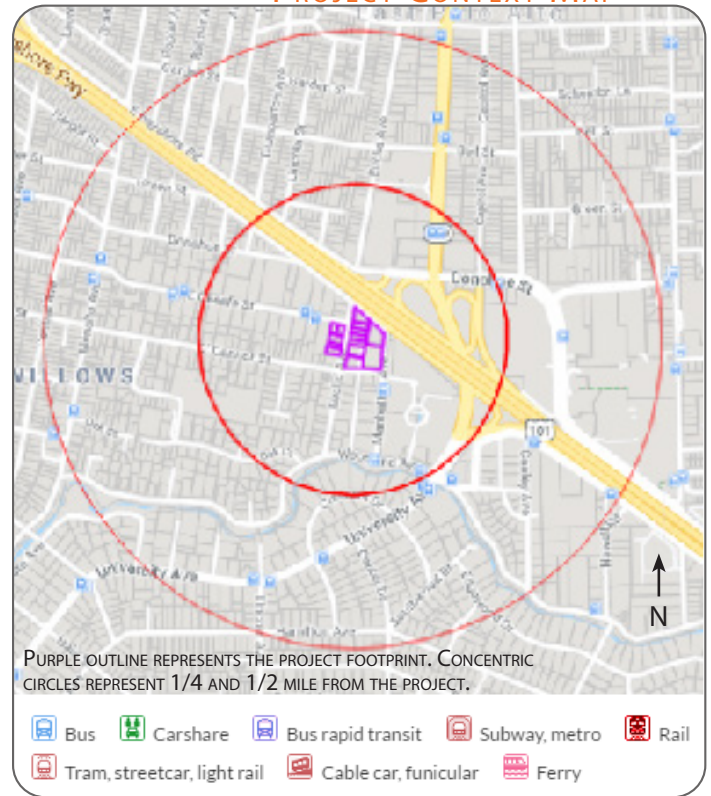
GreenTRIP conducts an evaluation based on information provided by the developer and gathered from publicly available sources.

Attachment: City Council Meeting Public Comments (2406 : Woodland Park Euclid Improvements)

WOODLAND PARK EUCLID IMPROVEMENTS

PROJECT CONTEXT MAP

DRIVING REDUCTION	
The following is an inventory of GreenTRIP Connect model inputs and the projected driving reduction.	
SELECTED SITE	↓
IF BUILT ON SELECTED PARCEL	11.7% REDUCTION
AFFORDABLE HOUSING	↓
0% OF UNITS WILL BE DEED RESTRICTED BELOW MARKET RATE *160 REPLACED RENT-CONTROLLED	0% REDUCTION
TRAFFIC REDUCTION STRATEGIES	↓
UNBUNDLED PARKING: PAYING FOR A PARKING SPACE IS SEPARATE FROM PAYING FOR HOUSING.	17.6% REDUCTION



NEARBY TRANSPORTATION

Transit within a 1/4 mile:
SamTrans 81, 281, 280, 296, 397
Transit within a 1/2 mile:
SamTrans 88, 83, 281, 280, 296, 397

GREENTRIP **Connect** REPORT:
<https://connect.greentrip.org/map-tool.php?p=209852>

Residents living and working within a 1/2 mile or 10 minute walk to transit are 10 times more likely to take transit.¹

Residents living within a 1/2 mile of transit drive 50% less than those living further away.²

¹ ABAG New Places, New Choices, 2007
² Cervero, Arrington, TCRP Report 128, 2008

KEY PROJECT DETAILS:

- DENSITY 175 UNITS/ACRE
- *605 UNITS INCLUDING 160 REPLACED RENT-CONTROLLED UNITS FOR ORIGINAL TENANTS
- 625 PARKING SPACES
- 605 SECURED LONG TERM BIKE PARKING SPACES
- 125 GUEST BIKE PARKING SPACES

QUESTIONS?

Contact:
GreenTRIPInfo@TransFormCA.org
www.GreenTRIP.org

a project of





July 18th, 2022

To whom it may concern,

The Housing Action Coalition is pleased to endorse Sand Hill Property Company's Euclid Improvements proposal for Woodland Park in East Palo Alto. After a detailed presentation, our Project Review Committee determined the project exceeds our high standards in addressing our regional housing shortage.

The Committee applauds the project team for undertaking a community-centered approach, as Sand Hill hosted 32 community meetings, information booths, and small group listening sessions before submitting a project application and five additional community meetings and information sessions after submission. Additionally, Sand Hill created relocation commitments after receiving valuable tenant input. These included granting current residents fully paid moving expenses, the right of return to the new apartments, a guarantee to pay the same rent upon return, a choice of a nearby apartment during construction, and a comparable number of bedrooms and square footage. After these discussions and commitments, Sand Hill constructed a plan that exceptionally meets the region's housing needs.

The project will increase the number of homes from 160 to 605 through a variety of building types. These new buildings would range between 5 and 13 stories, transforming a site that is currently comprised of lower density housing types. The Committee specifically commends Sand Hill's prioritization and commitment to affordability and community. The project will provide 160 rent-stabilized homes offered to the current tenants at their current rent levels. Additionally, Sand Hill will build 75 BMR homes offsite in partnership with Eden Housing. These homes would be available to residents at 35%, 50%, and 60% of Area Median Incomes, which goes above and beyond the affordability requirements. To further enhance community space, Sand Hill plans to build a community park, accessible to all residents, in parity with on-site retail spaces. Lastly, the project will provide 369 bike parking spaces and 625 car parking spaces. Given the site's proximity to public transit, the Committee encourages the project team to explore increasing bike parking and open space at the expense of the parking structure, but we understand the reality of financing, feasibility, and community concerns.

The Housing Action Coalition applauds the project team for striving to achieve the best possible project for the community. Ultimately, we are proud to endorse Euclid Improvements at Woodland Park, which will provide well-designed and well-located homes that help address our region's ongoing affordability and displacement crisis.

Sincerely,

A handwritten signature in black ink, appearing to read "Corey Smith", is written over a light blue rectangular background.

Corey Smith, *Executive Director*
Housing Action Coalition (HAC)

Attachment: City Council Meeting Public Comments (2406 : Woodland Park Euclid Improvements)



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- ROBERT WEBSTER
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Vice Chair of Finance
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- ELAINE BREEZE
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SummerHill Apartment Communities
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Stanford University

EMERITUS ADVISORS TO THE CHAIR

- NORMAN BOOK, JR.
Carr McClellan
- T. JACK FOSTER, JR.
Foster Enterprises

August 29, 2022

Honorable Mayor Ruben Abrica and Members of the City Council
City of East Palo Alto
2415 University Avenue
East Palo Alto, CA 94303

Dear Honorable Mayor Abrica and Members of the City Council,

For seven decades, the San Mateo County Economic Development Association (SAMCEDA) has been a leading voice for the economic engine that is San Mateo County. SAMCEDA believes in the power of a strong economy driven by an appreciation of what that engine provides to our ecosystem on the Peninsula.

By working with employers of all sizes and industries, engaging with our public sector and our elected leadership, recognizing that we have 21 individual jurisdictions (20 cities and one county) and collaborating and communicating with the Chambers of Commerce, non-profit organizations and our educational institutions, SAMCEDA tackles the most difficult challenges through goal-oriented solutions.

SAMCEDA has supported land use development projects that enhance the economic, environmental, living and transportation qualities that are important to businesses, communities, and residents in San Mateo County. Emphasizing a collaborative approach between public, private, and community stakeholders throughout the development process, SAMCEDA supports projects that have the potential to bring direct benefit to the communities, cities and surrounding areas in which they are located.

We continue to support high-quality projects that improve the quality of life in San Mateo County, which is why the SAMCEDA Board of Directors is pleased to endorse *Woodland Park Euclid Improvements* in East Palo Alto.

The *Woodland Park Euclid Improvements* proposes to increase the number of homes from 161 to 605, creating mixed-income housing with no displacement of existing residents. The proposal will include 160 rent-stabilized units, with first priority going to existing tenants, and will provide for 89 below-market-rate affordable units at deep affordability levels between 35% - 60% of area median income. It will provide significant community benefits, including a new public park space and significant local infrastructure improvements. The project team went above and beyond in seeking community input, hosting 32 community meetings, information booths, and small group listening sessions before submitting a project application and five additional community meetings and information sessions after submission.

We are also encouraged that the project will be an economic and employment driver in East Palo Alto and San Mateo County. According to the project's fiscal impact analysis, it will

Attachment: City Council Meeting Public Comments (2406 : Woodland Park Euclid Improvements)

EXECUTIVE COMMITTEE

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generate over \$1.1 million per year of positive net fiscal impact to the City's general fund, and will create over 1,500 job years during construction, and 119 direct, indirect, and induced jobs over the long term.

We are optimistic that this project will successfully accomplish multiple regional and local priorities in terms of increasing the housing supply, improving affordable housing, spurring economic growth, promoting energy-efficient and environmental design and advancing the livable communities model that our region, county and communities have envisioned.

Thank you for your consideration.

Best Regards,



Rosanne Foust
President & CEO, SAMCEDA

Attachment: City Council Meeting Public Comments (2406 : Woodland Park Euclid Improvements)



August 30, 2022

East Palo Alto City Council

RE: Endorsement of Euclid Improvements at Woodland Park

Dear Councilmembers:



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After careful review, Greenbelt Alliance is pleased to endorse the proposed Euclid Improvements at Woodland Park.

The Euclid Improvements are a model of what Climate SMART zero-displacement projects should look like when replacing out-of-date residential buildings in a lower-income community. The project goes above and beyond our Climate SMART goals; it will increase the housing supply, as well as provide better parking and mobility options, increase local climate resilience, and provide a significant amount of affordable housing. Of the 605 proposed homes, the project sponsor plans to replace 160 rent stabilized units and allow all tenants of the original units the right to return to a new rent stabilized unit. The project sponsors are also providing for an additional 89 off-site affordable units at deep affordability levels.

On the environmental side, according to GreenTrip certification, the Euclid Improvements will result in 1,628 fewer miles driven every day compared to the San Mateo County average, and 9% fewer GHG impacts every day compared to the San Mateo County average. In addition to being LEED certified, 2.3 trees will be planted for every tree removed, and the project sponsors are working to keep as many trees as possible on the property. Additionally, the project includes a 1.5 million gallon water tank and pump system nearby that will serve both the project and the broader neighborhood, increasing water pressure for fire suppression and as well as for overall fire protection.

This development would not only contribute to meeting the city's Regional Housing Needs Allocation (RHNA) goals, but also target both low income and Missing Middle housing. In Euclid Improvements at Woodland Park, the City of East Palo Alto has the opportunity to create new infill housing that will contribute to the State of California's collective efforts to respond to our ongoing housing crisis.

Greenbelt Alliance believes **Euclid Improvements at Woodland Park** will play a pivotal role in reimagining a more resilient and inclusive East Palo Alto for all residents to enjoy, and we are proud



to give this project our endorsement. We hope its approval will inspire cities around the Bay Area to redouble their efforts to grow in a smart, sustainable manner.

Sincerely,
Jordan Grimes

A handwritten signature in black ink, appearing to read "Jordan Grimes", with a long horizontal stroke extending to the right.

Resilience Manager, Greenbelt Alliance



August 31, 2022

East Palo Alto City Council
2415 University Avenue
East Palo Alto, CA 94303

Re: Support Woodland Park Euclid Improvements - Housing Leadership Council of San Mateo County

Dear Members of the East Palo Alto City Council,

The Housing Leadership Council of San Mateo County (HLC) works with our communities and their leaders to produce and preserve quality affordable homes.

On behalf of HLC, I'm writing to express our support for the Woodland Park Euclid Improvements proposal by the Sand Hill Property Company - which seeks to rebuild 160 existing rent controlled homes at existing rents, and include 445 new homes; 89 of which will be affordable. HLC's Board spent significant time deliberating over this proposal and came to the conclusion that it is the best option for your city to keep those existing homes habitable for your residents, while also providing additional affordable homes for your community members - which is why we support this proposal.

Thank you for the opportunity to comment. We urge you to support the Woodland Park Euclid Improvements proposal.

Sincerely,

Ken Chan
Organizer

Kelly Beggs

From: Art Taylor <ataylor@jobtrainworks.org>
Sent: Friday, September 2, 2022 12:20 PM
To: Ruben Abrica; Lisa Yarbrough-Gauthier; Carlos Romero; Regina Wallace-Jones; Antonio D. Lopez
Cc: Patrick Heisinger; Amy Chen; Elena Lee; Kelly Beggs; cityclerk
Subject: RE: Public Hearing Item #9.1: Woodland Park Euclid Improvements Project
Attachments: JobTrain Support Letter - Euclid Improvements (1).doc

To: East Palo Alto City Council

From: JobTrain

Letter of Support - Woodland Park Euclid Improvement Project

Dear Mayor, Councilmembers, and staff,

I am writing this letter in support of the Woodland Park Euclid Improvements Project. JobTrain has a history of working with Woodland Park Communities / Sand Hill Properties. Over the years we have worked together to employ several of our construction trades and building maintenance technician graduates on Woodland and Sand Hill properties projects and apartment communities. This company has committed to hiring locally on this and other projects that they have in their pipeline. This project has the unique opportunity to positively address many important issues that face our communities beyond the obvious need for more affordable housing.

Much work has been done over the years to provide jobs for East Palo Alto residents. We believe that construction projects in a local community should create jobs for residents. We have been in discussion with the Northern California Regional Construction Council (NCRCC) on how to compliment the considerable efforts that the city has pursued for some time now to provide such a benefit to your residents. Our history with the NCRCC spans 33 years. During that time, we have trained and placed hundreds of East Palo Alto residents in the Carpenters Union where they are making great wages with a pension. What makes our pre-apprentice training so unique is that our construction trades instructors are also active union members. In fact, our current trades instructor is the president of Local 217.

For too long housing construction has been challenging for the recruitment of new workers into the construction industry. More often residential construction contractors compete against each other through cost at the expense of all other factors (skills training, safety, livable wages). This has led to an existential crisis for building more housing, particularly in the Bay Area and other job centers across the country. Fewer and fewer workers are willing to pursue dangerous jobs with

little to no skills/safety training at wages no better than what they could make working in a relatively safe indoor environment.

The Developer of this project, Sand Hill Properties, has recognized that they have the ability to impact both of these issues through collaboration with the NCRCC and JobTrain by imposing standards on their contractors and sub-contractors with the language used in their contracts that requires participation in pre-apprenticeship training and the prioritization of local qualified East Palo Alto residents. The result of this unique effort would place a significant number of East Palo Alto residents through a JobTrain pre-apprenticeship training program (assisted by the NCRCC) and placement onto the Woodland project with wages and benefits commensurate with what is required to build the workforce our industry needs. The details of this unique collaboration are still under discussion due to the tentative status of this project and the expected cost to the developer.

We are encouraged and excited by the commitment Sand Hill Properties has made to train and hire locally and we would like you to seriously consider this unique opportunity in your decision to approve this project

Sincerely,

Barrie Hathaway,

Barrie R. Hathaway
President & CEO



Art Taylor
Chief Strategy Officer



Attachment: City Council Meeting Public Comments (2406 : Woodland Park Euclid Improvements)



Email: ataylor@jobtrainworks.org

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On Sep 7, 2022, at 9:49 AM, Johnston, Jon <jonj@menlofire.org> wrote:

Patrick,

Hope you are doing well. I know I am a day late on the discussion from Council on the water tank on the west side. However, I want to let you know that we support the tank for several reasons.

1. It supports the Water Master Plan requirement for emergency water supply
2. It supports much needed water volume supply to meet water demand on the west side due to lack of proper infrastructure
3. It aid in providing volume as well as a site for a pump house to equalize pressure within the City system
4. It provides opportunity for a public space. Example in Ripon, CA Mistlin Sports Park.

Thanks,

Jon



Jon Johnston

Division Chief/Fire Marshal

Menlo Park Fire Protection District | 170 Middlefield Road | Menlo Park, CA 94025

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Mission Statement: To protect and preserve life and property from the impact of fire, disaster, injury and illness.

menlofire.org



Woodland Park

— COMMUNITIES —

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 City of East Palo Alto
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February 3, 2022

RE: Euclid Improvements
 Aggregated Tenant Move Information

Dear Kelly,

As requested, below is the aggregated information about the status of the Euclid Improvement Area households and why those who moved said they left the property.

Out of the 161 units in the Euclid Improvement Area, as of 1/1/2022 the status of each unit is as follows:

- 61 households have not moved out of the Euclid Improvement Area
- 29 households participated in an Optional Tenant-Requested Move (OTRM) to another Woodland Park unit
- 69 households moved out of the Euclid Improvement Area
- 2 were never occupied by tenants since we purchased the property (including the management office)

Of the 69 households that moved out of the Euclid Improvement Area but didn't participate in OTRM, the most common reasons for leaving were:

- Relocate City / State (12%)
- Moved to Another Community (12%)
- Job Transfer or Job Loss (12%)
- Bought or rented home/condo (7%)
- Closer to work/school (7%)

The information for all units is included in Appendix A.

Tenants were not pressured to leave, and on average improvement area tenants left at a much lesser rate than other tenants at Woodland Park. After announcing the Euclid Improvements (December 2018), the average annual attrition rate in the Euclid Improvement Area was 5%, much lower than it was in the rest of Woodland Park, which was 15% excluding the Euclid Improvement Area.

Please let us know if you have any questions or would like to discuss further. We look forward to sharing this information with the City Council at an upcoming meeting.

Regards,



Mike Kramer

Appendix A

Primary reason given for departure for the households that moved out of the Euclid Improvement Area but didn't participate in OTRM:

- 8 – Relocate City/State
- 8 – Another Community
- 8 – Job Transfer or Job Loss
- 5 – Bought or Rent Home/Condo
- 5 – Closer to Work/School
- 6 – None Provided
- 4 – Family Changes and/or Financial Changes
- 4 – Tenant Preferred other Woodland Park Unit
- 4 – Other (not specified)
- 4 – Non-payment of rent
- 3 – Larger Unit
- 2 – Personal
- 2 – Abandoned Unit
- 2 – Unsatisfactory maintenance
- 1 – Reasonable accommodation
- 1 – Renewal rent increase (note: increase was certified by Rent Stabilization staff as within the allowable limit)
- 1 – Roommate Change
- 1 – Noise
- 69 – Total



EAST PALO ALTO CITY COUNCIL STAFF REPORT

DATE: September 20, 2022

TO: Honorable Mayor and Members of the City Council

VIA: Patrick Heisinger, Interim City Manager

BY: Tomohito Oku, Finance Director

SUBJECT: Use of American Rescue Plan Act (ARPA) Funds

Recommendation

It is recommended that the City Council take the following actions:

1. Accept the staff report on the City's use of American Rescue Plan Act (ARPA) funding;
2. Provide direction for how the City should allocate the remaining portion of ARPA funding;
and
3. Direct staff to return to the City Council in October 2022 with specific allocation recommendations for the remaining portion of the City's ARPA funding.

Alignment with City Council Strategic Plan

This recommendation is primarily aligned with:

Priority No. 3: Increase Organizational Effectiveness and Efficiency

Background

On March 11, 2021, President Biden signed the American Rescue Plan Act (ARPA) into law. This action established the Coronavirus Local Fiscal Recovery Fund (ARPA Funds). ARPA Funds are intended to provide support to State, local, and Tribal governments in responding to the economic impacts of COVID-19 pandemic. The Treasury allocated Fiscal Recovery Funds based on a jurisdiction's population and identified State Finance Departments to oversee the use of the funding.

The City's total allocation of ARPA Funds was \$7,012,516. In July 2021, the City received its first allocation of ARPA Funds in the amount of \$3,506,250. The City

Council approved a budget amendment of FY21-22 for ARPA funding on September 7, 2021, appropriating the first tranche of ARPA Funds in the amount of approximately \$3.5 million for personnel costs. As a result, the City was able to address a budget deficit caused by the COVID-19 Pandemic, while meeting all its obligations with regard to spending its first allocation of ARPA Funds.

On June 7, 2022, the City Council adopted FY2022-23 budget including ARPA funding. The City's 2022-2023 Budget assumed the City would receive the second ARPA payment shortly after the Budget became effective on July 1, 2022. In July 2022, the City received its second payment (\$3,506,266) of ARPA Funds; these funds must be obligated by the City Council by December 31, 2024, and expended by December 31, 2026.

The table below describes the allocation of the second distribution of ARPA Funds under the FY 2022-2023 Adopted Budget.

USE OF ARPA FUNDS	
Description	FY22-23 Adopted Budget
ARPA Grant Allocation	\$3,506,250
Interest Income	\$25,000
TOTAL REVENUES	\$3,531,250
Pandemic Workers and Diversion Backfill	\$(95,440)
PD Personnel Costs Allocation	\$(700,000)
Additional Pandemic Supports - extended to Dec 2022	\$(35,000)
Transfer out to General Fund to support additional expenditures during the budget deliberations process	\$(821,140)
TOTAL EXPENDITURES	\$(1,651,580)
Unspent ARPA Funds (Ending Fund Balance)	\$1,879, 670

The purpose of this staff report is to seek City Council direction for the allocation of the remaining ARPA Funds (approximately \$1.9 M).

Analysis

Staff recommends that the City Council refer to the FY 2022-2023 priorities to establish guiding principals for the potential expenditure of the remaining ARPA funds. For reference, the key areas of the City Council priorities are listed below.

Effectively Respond to the COVID-19 Pandemic
Enhance Community Services and Parks for Residents
Advance Housing and Workforce Development
Develop/Implement a Comprehensive Facilities Master Plan
Ensure Health and Public Safety
Develop Comprehensive Strategy to Address the City's Structural

Deficit
Establish/Implement a Transportation Mobility Plan
Improve the City's Water Infrastructure

To assist the City Council with providing initial direction, staff identified a number of activities that were featured in the City Council FY 2022-2023 Priorities and Workplan. Based on the needs identified in the Council's priorities, City staff recommends that the City Council allocate the remaining ARPA funding to the areas described in the table below. Note, staff landed on these initial recommendations because there are many initiatives within each of the given areas that may benefit from "one time" funding as opposed to creating long-term financial obligations.

PROPOSED OPTIONS FOR UTILIZATION OF ARPA FUNDS	
Potential Area to Fund	Rationale
Improve the City's Infrastructure	The City has several infrastructure projects that could benefit from design and/or capital funding.
Strategies to Address the City's Structural Deficit	The City must embark on several analyses/initiatives to ensure fiscal resiliency moving forward.
Direct Assistance to the Community	Staff recommends that a portion of remaining ARPA funds be distributed to the community via a competitive process. At this time, staff is not prepared to make specific recommendations on how much and how the funds would be disbursed to the community. These recommendations will be presented to the Council in October 2022.

If the City Council concurs with the staff recommendation, staff would return in October 2022 with specific recommended initiatives to fund within each given area. At this time, staff does not recommend specific funding thresholds for the given areas. The first step is to establish the guiding principals and then staff will take that information to craft specific recommendations.

As noted previously in this report, staff will take the City Council's input on the proposed guiding principals, and will return to the City Council in October with specific recommendations for the allocation of the remaining ARPA Funds.

Fiscal Impact

There is no fiscal impact at this time. Staff will return to the Council in October 2022 to present detailed information by itemizing recommending expenditures.

Public Notice

The public was provided notice of this agenda item by posting the City Council agenda on the City's official bulletin board outside City Hall and making the agenda and report available at the City's website and at the San Mateo Co. Library located at 2415 University Avenue in East Palo Alto, CA.

Environmental

The action being considered by the City Council is exempt from the California Environmental Quality Act (CEQA) because it is not a “project” pursuant to 15378(b)(4) because it is a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant impact on the environment.