

# **City of Santa Clara**

# Joint Meeting Agenda of the

# City Council and Authorities Concurrent & Santa Clara Stadium Authority Board



Tuesday, July 8, 2025

5:30 PM

Hybrid Meeting City Hall Council Chambers/Virtual 1500 Warburton Avenue Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
  - o https://santaclaraca.zoom.us/j/99706759306

Meeting ID: 997-0675-9306 o Phone 1(669) 900-6833

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#### Study Session - 5:30 PM | Regular Meeting - 7:00 PM

#### 5:30 PM STUDY SESSION

Call to Order in the Council Chambers

#### Confirmation of a Quorum

1. 25-604 <u>Study Session on Citywide Plan to Reduce Homelessness and</u>
Its Impacts

#### 7:00 PM COUNCIL REGULAR MEETING

**Call to Order** 

Pledge of Allegiance and Statement of Values

Roll Call

#### REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

#### **CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS**

#### **SPECIAL ORDER OF BUSINESS**

2. 25-754 Proclamation of July 2025 as Parks and Recreation Month

#### **CONSENT CALENDAR**

[Items listed on the CONSENT CALENDAR are considered routine and will be adopted by one motion. There will be no separate discussion of the items on the CONSENT CALENDAR unless discussion is requested by a member of the Council, staff, or public. If so requested, that item will be removed from the CONSENT CALENDAR and considered under CONSENT ITEMS PULLED FOR DISCUSSION.]

3.A 25-783 Action on the June 3, 2025 Special City Council Meeting 2025 Joint City Council June 10. and Authorities Minutes, Concurrent & Santa Clara Stadium Authority Board Meeting 2025 Special Minutes, and June 16, City Council Meeting Minutes

**Recommendation:** Approve the June 3, 2025 Special City Council

Meeting Minutes, June 10, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, and June 16, 2025

Special City Council Meeting Minutes.

3.B 25-13 Board, Commissions and Committee Minutes

**Recommendation:** Note and file the Minutes of:

- Bicycle & Pedestrian Advisory Committee -March 24, 2025
- 2. Board of Library Trustees May 5, 2025

3.C 25-69

Actions on a Proposed Award of Contract for the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project to O'Grady Paving, Inc., Authorize the City Manager to Execute a Funding Agreement with Santa Clara Valley Transportation Authority for 2016 Measure B Funding, and Related Budget Amendments

- **Recommendation:** 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
  - 2. Approve and authorize the City Manager to execute the funding agreement between the City of Santa Clara and Santa Clara Valley Transportation Authority, including minor modifications, amendments, and time extensions, if needed, in final forms approved by the City Attorney;
  - 3. Award the Public Works Contract for the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project to O'Grady Paving, Inc., the lowest responsive and responsible bidder, in the amount of \$4,087,445 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
  - 4. Authorize the City Manager to execute change orders up to approximately 10 percent of the original contract price, or \$408,745 for a total project budget not to exceed amount of \$4,496,190, in final forms approved by the City Attornev: and
  - 5. Approve the following FY 2025/26 budget amendments:
    - a. In the Streets and Highways Capital Fund, recognize grant revenue of \$997,000 from Valley Transportation Authority, recognize transfers of \$135,900 from the Water Utility Capital Fund and \$34,000 from the Sewer Utility Fund, and increase Lafayette Street Class IV Bikeway and Pavement Rehabilitation project appropriation by \$1,166,900, (five affirmative Council votes required to appropriate additional revenue);

- b. In the Streets and Highways Capital Fund, reduce the Pedestrian and Bicycle
   Enhancement Facilities project appropriation
   by \$99,700, reduce the Annual Street
   Maintenance and Rehabilitation Program
   project appropriation by \$3,250,000, and
   increase the appropriation in the Lafayette
   Street Class IV Bikeway project appropriation
   by \$3,349,700 (majority affirmative Council
   votes required);
- c. In the Water Utility Capital Fund, establish a transfer to the Streets and Highways Capital Fund and reduce the Buildings and Grounds appropriation by \$135,900 (majority affirmative Council votes required); and
- d. In the Sewer Utility Fund, establish a transfer to the Streets and Highways Capital Fund and reduce the unrestricted ending fund balance by \$34,000 (five affirmative Council votes required for the use of unused balances).

3.D 25-77 Action to Delegate Authority to the City Manager to Execute Purchase Orders and Negotiate and/or Agreements Amendments with Doble Engineering Company **Test** for Equipment, PowerBase Software, Relay Testing Software, and Other Services Related to Silicon Valley Power Operations, and to Ratify Amendments and Payments Exceeding City Manager Authority

- **Recommendation:** 1. Authorize the City Manager to negotiate and execute agreements, and/or purchase orders with Doble Engineering Company for test equipment, software (including PowerBase and Relay Testing Software), engineering services, and other related products and services with a maximum authorization of \$1,000,000 for the period of April 1, 2018, through March 31, 2030, subject to budget appropriations and the review and approval as to form by the City Attorney;
  - 2. Ratify the City Manager's execution of amendments to the Doble Master Services Agreement and related purchase orders and payments issued to Doble prior to the date of this report in excess of the City Manager's authority; and
  - 3. Authorize the City Manager to (1) take any actions necessary to implement and administer the purchase orders or agreements and (2) a negotiate and execute amendment(s) to (a) add or delete services associated with the services; (b) adjust future rates based on market conditions, (c) make de minimis changes; and (d) extend the term of the Master Agreement through March 31, 2030, subject to budget appropriations and the review and approval as to form by the City Attorney.

3.E 25-82 Action on Delegation of Authority to the City Manager to Negotiate and Execute Agreement(s) and Amendment(s) with Art Alger, Inc. DBA Peninsula Crane and Rigging for As-Needed Crane Services for Silicon Valley Power and the Water and Sewer Utilities Department

- **Recommendation:** 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of the California Code of Regulations;
  - 2. Delegate authority to the City Manager or designee to negotiate and execute an agreement with Art Alger, Inc. DBA Peninsula Crane and Rigging for Silicon Valley Power (SVP Agreement) for a five-year term beginning on or around August 1, 2025, with a one-year option to extend the agreement term through July 31, 2031, and a maximum compensation not to exceed \$2,000,000, subject to the review and approval as to form by the City Attorney;
  - 3. Delegate authority to the City Manager or designee to negotiate and execute an agreement with Art Alger, Inc. DBA Peninsula Crane and Rigging for the Water and Sewer Utilities Department (Water Agreement) for a five-year term beginning on or around August 1, 2025, with a one-year option to extend the agreement term through July 31, 2031, and a maximum compensation not to exceed \$350,000, subject to the review and approval as to form by the City Attorney; and
  - 4. Authorize the City Manager or designee to take any actions as necessary to implement and administer the SVP Agreement and Water Agreement, and to negotiate and execute amendments to these agreement to: (a) add or delete services consistent with the scope of services, (b) adjust future rates based on market conditions, (c) extend the term one additional year through July 31, 2031, (d) make de minimis changes, and (e) increase the maximum compensation for the SVP Agreement up to \$500,000 for a total maximum compensation of \$2,500,000, subject to the appropriation of funds and to the review and approval as to form by the

City Attorney.

3.F 25-476 Action on Amendment No. 3 to Agreement with The Permanente Medical Group, Inc. for Professional Medical Services for Public Safety Employees

- **Recommendation:** 1. Authorize the City Manager or designee to execute Amendment No. 3 to the agreement with The Permanente Medical Group, Inc. for Professional Medical Services to extend the term through August 31, 2030, subject to appropriation of funds and review and approval as to form by the City Attorney; and
  - 2. Authorize the City Manager or designee to negotiate and execute future Amendments making minor modifications to the agreement and to extend the term, if needed, with no increase to the not-to-exceed maximum compensation, subject to review and approval as to form by the City Attorney.

3.G 25-522

Action on Delegation of Authority to Authorize the City Manager Issue Purchase Orders and Negotiate and Execute Agreements or Amendments with Environmental **Systems** Corporation **DBA ESC** Spectrum Corporation for Data and Acquisition and Historian Support Maintenance System Power Service Related Silicon **Operations** Valley and Ratify Prior Payments

- **Recommendation:** 1. Authorize the City Manager issue purchase orders or negotiate and execute agreements and amendments with Environmental Systems Corporation DBA ESC Spectrum (ESC) for Data Acquisition and Handling System (DAHS) for a maximum authorization of \$800,000 for purchase orders and payments issued during the period of January 1, 2025, through April 30, 2031, subject to the appropriation of funds and review and approval as to form by the City Attorney;
  - 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the purchase orders and agreements, including negotiating and executing future agreements or amendment(s) to (a) add or delete services associated with the services, (b) adjust future rates based on market conditions, and (c) make de minimis changes, subject to budget appropriations and review and approval as to form by the City Attorney; and
  - 3. Ratify prior payments made to ESC in connection with DAHS services and software occurring prior to 2025 in the approximate amount of \$1,200,000.

3.H 25-569

Action on Award of Contract for the Emergency Operations Center Security Upgrades Project to Arrow Fencing and Related **Budget Amendments** 

- **<u>Recommendation:</u>** 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15311 (Accessory Structures) of Title 14 of California Code of Regulations;
  - 2. Award the Public Works Contract for the **Emergency Operations Center Security Upgrades** Project to Arrow Fencing, the lowest responsive and responsible bidder, in the amount of \$558,000 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
  - 3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$83,700, for a total project budget not to exceed amount of \$641,700, in final forms approved by the City Attorney; and
  - 4. Approve the following FY 2025/26 budget amendments for the funding of the project:
    - a. In the Fire Department Capital Fund, recognize transfers of \$420,348 from the General Fund -Capital Projects Reserve and \$79,372 from the Electric Operating Grant Trust Fund, and increase the Emergency Operations Center Security Upgrades Project by \$499,720 (five affirmative Council votes required to appropriate additional revenue);
    - b. In the General Fund, establish a transfer to the Fire Department Capital Fund and decrease the Capital Projects Reserve by \$420,348 (five affirmative Council votes required for the use of unused balances); and
    - c. In the Electric Operating Grant Trust Fund, establish a transfer to the Fire Department Capital Fund and decrease the Ending Fund Balance - Greenhouse Gas Program by \$79,372 (five affirmative Council votes required for the use of unused balances).

**3.**l 25-624 Informational Report on 2025 Q2 Legislative Updates

> **Recommendation:** Note and file the informational report on 2025 Q2 legislative updates.

3.J 25-731 Action on Authorizing the City Manager to Negotiate and Execute Amendments to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System

- **Recommendation:** 1. Authorize the City Manager or designee to negotiate and execute Amendment No. 6 and Amendment No. 7 to the agreement with N. Harris Computer Corporation (Agreement) for the NorthStar Customer Information System Customer Connect Portal integration with CyberSource and the EnergyIP Integration Modernization, including extending the term to December 31, 2028 and increasing the maximum compensation by \$261,256 for a revised maximum compensation not to exceed \$1,031,703, subject to the review and approval as to form by the City Attorney; and
  - 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the Agreement, including negotiating and executing future amendment(s) to (a) add, modify, or delete services, including software subscription or support services, (b) increase the maximum compensation by an additional \$300,000 for a total maximum compensation amount not-to-exceed \$1,331,703 to cover unanticipated services required to maintain system compatibility, support compliance, or respond to operational requirements, (c) extend the term as needed to complete approved projects, and (d) make de minimis changes, all subject to the total maximum compensation of \$1,331,703, appropriation of funds, and review and approval as to form by the City Attorney.

#### 3.K 25-773

Action to (1) Adopt a Resolution Declaring an Urgency in Accordance with Charter Section 1310, Contracts on Public Works. to Allow for the Award of Contracts for Projects Implementing Security Measures to Mitigate Risks to Public Services and Facilities without Advertising for Bids. (2) Authorize the City Manager to Execute Agreements, Amendments, and Change Orders for Services, Equipment and Materials connection with the Implementation of Security Measures to Mitigate Risks to Public Services and Facilities, (3) Approval of one full-time position to develop, implement, and manage Silicon Valley Power's security measures and (4) Approve Related **Budget Amendment** 

- **<u>Recommendation:</u>** 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15302 (Class 2 -Replacement or Reconstruction) and Section 15303 (Class 3 - New Construction or Conversion of Small Structures) of Title 14 of California Code of Regulations.
  - 2. Adopt a resolution declaring an urgency in accordance with City Charter Section 1310 to allow for the award of contracts to various contractors to implement public facility security measures without advertising for bids.
  - 3. Authorize the City Manager to negotiate and execute agreements, amendments, change orders, and/or purchase orders with various vendors in connection with the implementation of security measures at various City public facility sites, for a maximum aggregate compensation amount not-to-exceed \$20,000,000, subject to the review and approval as to form by the City Attorney.
  - 4. Authorize the City Manager or designee to (a) take any actions as necessary to implement and administer the agreements and/or purchase orders, and (b) negotiate and execute amendments to the agreements or purchase orders for (i) project scope changes/additions, (ii) any unanticipated conditions or requirements, (iii) extensions of the agreement term, and (iv) de minimis revisions, all subject to the above maximum aggregate compensation amount and review and approval as to form by the City

Attorney.

- 5. Approve the addition of one (1) Electric Program Manager in the Electric Utility Department.
- 6. Approve the following FY 2025/26 budget amendments:
  - a. In the Electric Utility Fund, decrease the Infrastructure Reserve Ending Fund Balance and increase the transfer to the Electric Utility Capital Fund in the amount of \$20.0 million (five affirmative Council votes required for the use of unused balances) and
  - b. In the Electric Utility Capital Fund, increase the transfer from the Electric Utility Fund and increase the Substation Physical Security Improvements Project in the amount of \$20.0 million (five affirmative Council votes required to appropriate additional revenue).

## SANTA CLARA STADIUM AUTHORITY BOARD CONSENT CALENDAR

**4.A 25-701** Action on Stadium Authority Bills and Claims for the Month of May 2025

**Recommendation:** Approve the list of Stadium Authority Bills and Claims for May 2025.

#### **PUBLIC PRESENTATIONS**

[This item is reserved for persons to address the Council or authorities on any matter not on the agenda that is within the subject matter jurisdiction of the City or Authorities. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The governing body, or staff, may briefly respond to statements made or questions posed, and appropriate body may request staff to report back at a subsequent meeting. Although not required, please submit to the City Clerk your name and subject matter on the speaker card available in the Council Chambers.]

#### **CONSENT ITEMS PULLED FOR DISCUSSION**

#### **PUBLIC HEARING/GENERAL BUSINESS**

5. 25-417 Action on an Award of Contract for the Northern Receiving Station Upgrades and Expansion Project Contract No. 2454 to Henkels and McCov West. LLC and Related **Budget** Amendment

- **Recommendation:** 1. Award the Public Works Contract for the Northern Receiving Station Upgrades and Expansion Projects, No. 2454, to the lowest responsive and responsible bidder, Henkels & McCoy West, LLC in the amount of \$47,788,603.86 (Base Contract Price) and approve Bid Alternates #1-9, in the amount of \$12,068,489.28, for a revised Base Contract Price not to exceed \$59,857,093.14 and authorize the City Manager or designee to execute the Contract (Contract), subject to the review and approval as to form by the City Attorney;
  - 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the Contract including executing any and all documents in furtherance of the award, completion, and acceptance of the Project and approval of any necessary change orders not to exceed 15 percent of the revised Base Contract Price, or \$8,978,563.97, for a total contract amount not to exceed \$68,835,657.11; and,
  - 3. Approve the FY 2025/26 budget amendment in the Electric Utility Capital Fund to increase the Unrestricted Beginning Fund Balance and increase the Northern Receiving Station Upgrades and Expansion Project in the amount of \$16 million (five affirmative Council votes are required for the use of unused balances).

6. 25-526

Public Hearing: Action on a Resolution of Necessity to Acquire Certain Real Property Interests on 3205 Bassett Street, Santa Clara, California, from the Owner of Record for Purposes of Implementing the Silicon Valley Power 115kV Transmission Line **Project** 

**Recommendation:** Adopt a Resolution of Necessity Making the Required Findings to Acquire Certain Real Property Interests on 3205 Bassett Street, Santa Clara, California, from the Owner of Record for Purposes of Implementing the Silicon Valley Power 115kV Transmission Line Project (Five affirmative votes required [California Code of Civil Procedure section 1245.245]).

7. 25-457 Public Hearing: Consideration of Various Actions to Amend the City Place Santa Clara Project (PLN24-00060) Located at 5155 Stars and Stripes Drive to Provide for a New Scheme C Land Use Scenario to add Light Industrial as a Permitted Land Use on Parcels 1 and 2. Replacing the Originally Planned Office Uses and Transferring Unused Development Intensity to Parcel 4 and to Implement Other Project Changes

- **Recommendation:** 1. Adopt a resolution for an Addendum to the City Place Santa Clara Environmental Impact Report (2016 EIR)
  - 2. Adopt a resolution approving the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2 for the Related Santa Clara project at 5155 Stars and Stripes Drive ('Project").
  - 3. Adopt a resolution approving a Rezone to Amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C for the Project.
  - 4. Waive first reading and introduce an ordinance to approve amending the Development Agreement to implement aspects of Scheme C for Project.
  - 5. Adopt a resolution amending the Disposition and Development Agreement for Project.

Note: All resolutions, ordinances and agreements are attached for approval in substantial form, subject to such minor corrections or non-substantive modifications as may be required or approved by the City Attorney.

8. 25-755

Action on Proposed Formation of a Charter Review Committee to Conduct Comprehensive Review of the City Charter to Update, Make Corrections and Better Align the Charter with State Law and Current Best Practices and to Draft a Comprehensive Charter Amendment for Presentation to the City Council and Possibly the Voters at the November 2026 Election

**Recommendation:** Review, discuss and provide direction to staff on the

proposed formation of a City Charter Review Committee to engage in a comprehensive Charter

review and amendment process

#### REPORTS OF MEMBERS AND SPECIAL COMMITTEES

#### CITY MANAGER/EXECUTIVE DIRECTOR REPORT

#### **ADJOURNMENT**

The next regular scheduled meeting is on Tuesday, July 15, 2025 in the City Hall Council Chambers.

#### **MEETING DISCLOSURES**

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov> or at the public information desk at any City of Santa Clara public library.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



## City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

## Agenda Report

25-604 Agenda Date: 7/8/2025

## REPORT TO COUNCIL

#### SUBJECT

Study Session on Citywide Plan to Reduce Homelessness and Its Impacts

## **BACKGROUND**

The purpose of this study session is to provide general updates and to gather feedback on the latest draft of the City's Citywide Plan to Reduce Homelessness and Its Impacts. The City Council prioritized special need housing opportunities for persons of all economic levels as set forth in Goal C of the adopted May 2024 Housing Element. Prior to that, in March 2021, the City Council endorsed Santa Clara County's Community Plan to End Homelessness with three key strategies:

- 1. Address the root causes of homelessness through system and policy change
- 2. Expand homelessness prevention and housing programs to meet the need
- 3. Improve quality of life for unsheltered individuals and create healthy neighborhoods for all

To help implement these strategies, at the November 16, 2021 Council meeting, the City Council directed staff to form an Ad Hoc Homelessness Taskforce and to engage a consultant, Homebase, to manage the Taskforce process. The intended purpose of the Taskforce was to allow community residents and stakeholders to identify and recommend potential City strategies to address the needs of Santa Clara's unhoused population, which in turn would be incorporated into the City's Homelessness Response Plan. On December 6, 2021, the City Council approved an agreement with Homebase to assist the City with facilitating the Taskforce and community engagement process, drafting a strategic plan framework, and preparing a draft of the City's Homelessness Response Plan. The City continued the engagement with Homebase in the sixth cycle Housing Element.

In the spring of 2022, staff worked with Homebase to administer the selection of the Taskforce membership. Eight members were selected from a pool of over 130 applicants, including one representative for each Council District and two 'at-large' members, to form the Taskforce. Taskforce members represented a diverse set of backgrounds, including members who have experienced housing instability and members who have lived experience of homelessness as well as a mix of homeowners, renters, students, and people who work within the City. Five local agencies were affiliated with the Taskforce and advised through the process. These agencies included the Bill Wilson Center, Abode Services, HomeFirst, Destination: HOME, and the County's Office of Supportive Housing.

The Taskforce met virtually once a month for six months from April 28, 2022 through October 27, 2022. All six meetings were live-streamed for public viewing and participation. During this period, Homebase conducted additional outreach that included research and data gathering, focus groups with service providers and City staff, twelve (12) interviews with people with lived experience of homelessness, a virtual community forum with over 70 participants, a survey of the business

community with over 270 responses, and public comments during the Taskforce meetings and via email. Following these meetings and based on additional research and outreach, Homebase drafted a plan which was later posted on the City's website for public review.

On January 10, 2023, City staff and Homebase presented the draft plan and gathered feedback at a City Council study session. During the study session, staff provided background information on homelessness, summarized stakeholder input, and received feedback from the City Council on the draft plan. Comments on the draft plan from Taskforce members suggested prioritizing prevention, outreach and case management, targeting subpopulations with specific services, mental health support services, increasing broad-based support for basic needs services and shelter, and creating concrete strategies with specific goals, estimated costs, and the entity who is responsible for implementation.

Members of the City Council commented on a multi-faceted approach with the importance of prevention, adding protections against evictions, having mobile case management and outreach, looking at initiatives in other cities, engaging local organizations and volunteers, improving the City's homelessness resource webpage, increasing housing and shelter options, increasing trash cleanups, increasing Wi-Fi access, addressing mental health and substance abuse, creating storage solutions for unhoused residents, using metrics to measure impact, and providing a budget to understand what priority services might cost to implement.

#### DISCUSSION

Homelessness is a multi-faceted issue and many of the services and programs available to City of Santa Clara residents are part of a countywide system supported by various funders, including the County. These services help prevent homelessness, assess vulnerability, connect unhoused residents with emergency shelter and housing opportunities, and connect people with a range of health and human services. The City of Santa Clara contributes resources to this countywide system, in addition to the targeted services it provides within the city itself. As it is important to understand how this system works, and the City's role within this system, staff has invited the Santa Clara County's Office of Supportive Housing to participate in the study session. This discussion entails several elements on homelessness and the following areas of discussion:

- 1. Overall policy landscape
- 2. Funding for housing and services
- 3. Homelessness prevention and crisis response

## Overall Policy Landscape

Since the January 10, 2023 study session, the overall policy landscape on this issue has changed significantly at both at the federal and state levels. On June 28, 2024, the U.S. Supreme Court ruled that state and local governments have the legal authority to implement and enforce ordinances that prohibit homeless encampments on public property (Johnson v. Grants Pass). This ruling removed a legal barrier to encampment clearance when no shelter or interim housing is available. Shortly after this ruling, on July 25, 2024, Governor Gavin Newsom issued executive order N-1-24 directing state agencies to adopt policies that address encampments on state property provided there is notice, outreach, and temporary storage of personal belongings. This executive order also encouraged local government to adopt similar policies and upcoming funding programs such as the Homeless Housing, Assistance, and Prevention Program (HHAP) that will require counties and large cities to comply with state encampment policies to receive these funds. On May 12, 2025, Governor Gavin

Newsom released a model ordinance for cities and counties to address unhealthy and dangerous encampments. Some cities in the Bay Area have adopted new policies and procedures related to encampment clearance and enforcement.

#### Funding for Housing and Services

Another factor affecting homelessness response efforts is dwindling funding for housing and services. Federal budget cuts for emergency housing vouchers and proposed cuts to other housing and human service programs will directly impact clients who are unhoused or at risk of losing their housing. Funding for new affordable housing production is also in short supply as Santa Clara County's Measure A funds have mostly been deployed and the regional bond measure for affordable housing did not pass.

#### Homelessness Prevention and Crisis Response

As the City of Santa Clara works to increase its affordable housing supply, a process that takes years, it has invested in homelessness prevention and crisis response to ensure the City remains a safe and clean community for all, and to ensure that individuals and families at risk of or experiencing homelessness have resources to meet their basic needs. With the goal of keeping people stably housed, the City supports various homelessness prevention services through the County and service providers, including the County's Homeless Prevention System, a Tenant Based Rental Assistance Program, landlord/tenant mediation, domestic violence services, a 2-1-1 hotline, among others. To assist people who are experiencing homelessness, the City provides services such as mobile shower and laundry services and works closely with partners to connect individuals to shelter, housing, and mental health and behavioral health services.

Since the January 10, 2023 study session, City staff has been busy working on a number of key work efforts to further expand the City's homelessness prevention and crisis response. These efforts include, but are not limited to, securing \$1,800,000 in grant funding for homeless services, forming an internal working group to coordinate on homelessness best practices and to explore partnerships, researching what it takes to develop and implement various homeless programs and services including a safe parking program, street outreach and case management, emergency/inclement weather shelter, procuring a vendor to provide mental health coordination services, and continuing to work closely with the County and LifeMoves to advance a Homekey funded family interim housing project. More information about these efforts can be found within the draft workplan referenced below and will be covered in the study session presentation.

In addition, in January 2025, City staff organized over 60 volunteers made up of staff and community members over two days to canvass the city for the 2025 Point in Time Count and in person survey. While city level data for this count will not be available until Fall 2025, staff did observe a growing number of people living in oversized vehicles and cars in Santa Clara. Additional City level demographic information can be found in Attachment 1.

The purpose of this study session is to provide general updates and to gather feedback on the latest draft of the City's Citywide Plan to Reduce Homelessness and Its Impacts ("Draft Response Plan"). The Draft Response Plan includes the following six Strategy Areas and 34 associated work items (Attachment 2):

Strategy Area 1: Prevent homelessness for City residents who are at-risk

 Strategy Area 2: Increase availability of short-term shelter, permanent supportive housing, and Extremely Low Income (ELI) housing

- Strategy Area 3: Conduct proactive street outreach to engage people who are unsheltered and connect them to resources
- Strategy Area 4: Address basic needs of people living outside, including health, and hygiene
- Strategy Area 5: Reduce the impacts of unsheltered homelessness throughout the community
- Strategy Area 6: Foster productive community conversation about the causes, needs, and experience of homelessness to foster support and volunteerism

The strategies and work items were developed in coordination with the City's 2023-2031 Housing Element and the County's 2020-2025 Community Plan to End Homelessness and informed by input collected from the Homelessness Taskforce, community engagement efforts, City staff, and the City Council. They are designed to respond to identified community needs and service gaps through a combination of short- and long-term actions that are cost-effective, impactful, and balance compassionate support, service accessibility, and public safety.

The draft Response Plan includes an Appendix A that outlines a comprehensive two-year implementation workplan made up of 34 individual work items to guide planning and monitor progress of the City's homelessness response efforts ("Two-Year Workplan") (Attachment 3). For each work item, the Two-Year Workplan identifies the relevant Strategy Area, status of work efforts (if any), department(s), and resource needs (if any). The Two-Year Workplan groups the 34 work items into the following three categories:

#### Ongoing

Work items that are currently being implemented with existing resources.

#### Planned

Work items that staff can reasonably initiate within the next two years, based on projected funding and staffing capacity.

Pending / Resource-Contingent

Potential work items that will require additional funding and staffing capacity to implement.

It should be noted that these work items should be considered in the context of the various umbrellas that the City is operating under (e.g., U.S. Constitution, state penal code, fiscal limitations, etc.).

The draft Response Plan also includes an Appendix B that provides a corresponding budget that includes the cost of budgeted or funded services, along with additional estimated costs, to implement the proposed ongoing and planned work items in FY 2025/26 and FY 2026/27.

Based on the study session discussion and City Council's feedback on the Draft Response Plan and corresponding Two-Year Workplan, staff plans to bring back a final Response Plan and the corresponding Two-Year Workplan for Council consideration and adoption in Fall 2025.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### FISCAL IMPACT

While there are no costs to present the information in this report other than staff and administrative time, costs could be incurred or proposed depending on the recommendations or direction provided by Council in this study session to bring back proposals for funding consideration. The Two-Year Workplan and implementation budget that can be found respectively in the Draft Response Plan's Appendix A (Attachment 3) and Appendix B (Attachment 2) provide more information about potential costs and future resource needs.

## COORDINATION

This report was coordinated with the Community Development Department, City Manager's Office, Police Department, Finance Department, and City Attorney's Office. In addition to these departments, the Two-Year Workplan was coordinated with the Public Works, Library, and Parks and Recreations Departments and the Office of Emergency Management.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

The purpose of this report is to support a study session on the City's Draft Citywide Plan to Reduce Homelessness and Its Impacts and the associated Two-Year Workplan. The study session will gather general input on the Draft Response Plan's strategies, the Two-Year Workplan, and more detailed feedback on the following key work items:

- 1. Work Item 2.1 Temporary hotel program
- 2. Work Item 2.2 Overnight inclement weather program
- 3. Work Item 2.3 RV safe parking research
- 4. Work Item 3.1 Street outreach and case management team
- 5. Work Item 5.2 Funding to supplement cleanups and towing

After the study session, staff will make updates to the plan and return to City Council for its adoption. Staff will also propose budgetary appropriations to implement key work items.

Reviewed by: Afshan Hamid, Director, Community Development and Christine Jung, Deputy City

Manager, City Manager's Office Approved by: Jovan D. Grogan, City Manager

## **ATTACHMENTS**

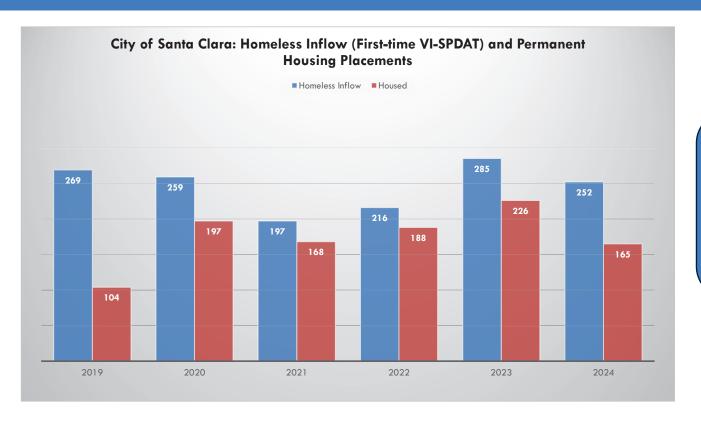
- 1. City of Santa Clara Homelessness Data
- 2. Draft Citywide Plan to Reduce Homelessness and Its Impacts
- 3. Draft Citywide Plan to Reduce Homelessness and Its Impacts Appendix A: Two-Year Workplan

# CITY OF SANTA CLARA DATA



# CITY OF SANTA CLARA DATA

# Calendar Year 2024



## **Homeless Inflow in 2024**

Countywide: 4,098

Santa Clara: 252

6.1% of countywide total

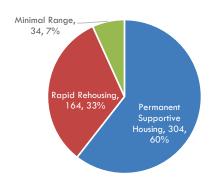




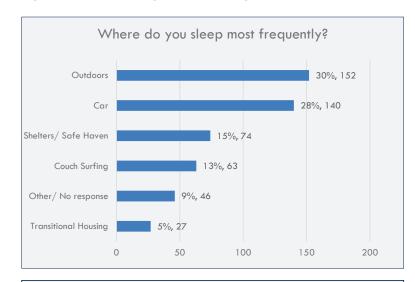
# DEMOGRAPHICS OF UNHOUSED SANTA CLARA RESIDENTS

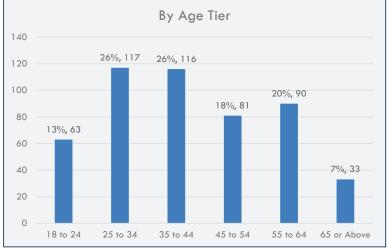
# 502 VI-SPDAT Assessments completed in CY2024

By Level of Need (Based on VI-SPDAT Score)





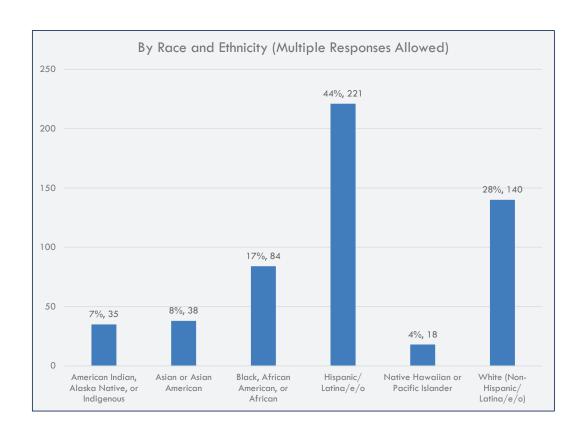




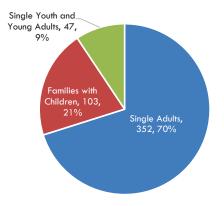


# DEMOGRAPHICS OF UNHOUSED SANTA CLARA RESIDENTS

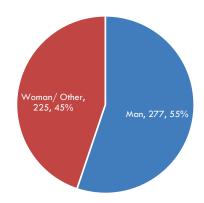
# 502 VI-SPDAT Assessments completed in CY2024



#### By Household Type



By Gender





# City of Santa Clara's Citywide Plan to Reduce Homelessness and Its Impacts

Draft

July 8, 2025

## Acknowledgements

The City of Santa Clara and Homebase would like to thank the many people with lived experience of homelessness, agencies and organizations, and other community members and stakeholders who participated in the process to develop this plan for their contributions and invaluable insight.

Special thanks to the members of the City's Homelessness Taskforce:

- Lori Garmany, Council District 1
- VaNae N. Hamilton, Ph.D. Council District 2
- Dontae Lartigue, Council District 3
- Daniel Huynh, Council District 4
- Anne McMahon, Council District 5
- Catherine Pham, Council District 6
- Sparky Harlan, Bill Wilson Center
- Andrea Urton, Homefirst
- Ray Bramson, Destination: HOME
- Vivian Wan, Abode Services
- Hilary Barroga, County Office of Supportive Housing
- Michelle Ortega, Community Member at Large
- Santiago Arrendondo Jr., Community Member at Large

#### **About Homebase**

The City contracted with Homebase—a national technical assistance provider on homelessness—to facilitate a Homelessness Taskforce to help prioritize the City's resources and efforts and develop this draft plan in partnership with the City. Homebase is a nonprofit dedicated to building community capacity to prevent and end homelessness.

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## Introduction and Background

## **The City Planning Process**

The issue of homelessness has become increasingly visible, urgent, and complex for many cities in the Bay Area, and the City of Santa Clara is no exception. As housing costs continue to soar, so do the number of people experiencing homelessness in our community. While cities often cannot solve the issues relating to homelessness on their own, they do have a critical role to play in reducing homelessness, and the City of Santa Clara is committed to doing its part.

While homelessness is a very local experience, it's a regional challenge. In Santa Clara County, as is the case across much of the Bay Area, cities are adjacent to one another, and people – housed and unhoused alike – regularly cross city lines, even when only traveling a few miles or even blocks. They may live in one city, work in another, and shop or visit friends or family in a third, all within a given day, week, or month.

Understanding both the nature of homelessness and strategies for addressing it in the City of Santa Clara requires focusing on the City and its neighborhoods. It also requires awareness of the realities of homelessness across the County, as well as resources and strategies for addressing the issue Countywide.

"Every member of our community deserves a safe and stable home—and it is our collective responsibility to make this vision a reality."

- Community Plan to End Homelessness in Santa Clara County

In this spirit of community, compassion, and collaboration, and recognizing the need for locally-focused efforts as well as regional approaches and collaboration, the City of Santa Clara sought to develop a Citywide Plan to Reduce Homelessness and its Impacts (City Plan) that would draw from and complement the broader efforts already underway as part of the 2020-25 Santa Clara County Community Plan to End Homelessness (Community Plan).

## **Community Plan to End Homelessness in Santa Clara County**

In 2019, the County of Santa Clara Office of Supportive Housing (OSH) and a variety of partners embarked on a strategic planning process that spanned nearly a year, included a variety of community engagement opportunities surveys, focus groups, interviews, community meetings, and meetings with City departments, and culminated in the countywide Community Plan.

The Santa Clara City Council endorsed the Community Plan in March 2021, and this City Plan was developed to align with the three key strategies adopted in the Community Plan:

# Strategy 1: Address the root causes of homelessness through system and policy change

"The system we live in has created social, economic, and racial disparities and it will take monumental shifts in policies and priorities to make effective change."

#### Strategy 2: Expand homelessness prevention and housing programs to meet the need

"To end homelessness, we will need to continue to build capacity to provide a broad array of housing and services over the next five years."

# Strategy 3: Improve quality of life for unsheltered individuals and create healthy neighborhoods for all

Even with strategies in place to prevent and end homelessness for as many people as possible, "the reality is that many people will remain unhoused due to an extreme housing crisis and increasing income inequality."

#### City of Santa Clara Homelessness Taskforce

To help achieve its planning goals, the City convened a Homelessness Taskforce in March 2022, which brought together diverse lived experiences to help the City identify and prioritize the feasible strategies it could and should implement, keeping in mind what City resources are available, where the City's expertise and influence is strongest, and what countywide systems and resources are in place.

Members of the Taskforce included both members of the community and representatives from homeless service agencies. Eight community members were selected from a pool of over 130 applicants, and represent a diverse set of backgrounds, including the following:

- Each City Council district is represented by one member,
- Four members have lived experience of homelessness, and
- Five members represent local agencies.

The purpose of the Taskforce was to provide input and make recommendations to inform the City Plan, including by:

- Helping to identify both what the City and County are already doing well and gaps that exist in resources and efforts to address homelessness specifically in the City of Santa Clara;
- Brainstorming potential strategies to reduce and fill those gaps; and
- Helping to prioritize strategies and actions that are within the City's capacity and control in order to reduce homelessness and its impacts within the City.

The Taskforce also helped guide and support the community engagement process.

Members of the public were able to listen in and view monthly Taskforce meetings from April to October 2022, submit questions and comments, and participate in other community engagement opportunities (see below).

#### **Community Engagement**

Throughout the planning process, feedback was gathered from community members over a period of six months in 2022 from a diverse set of stakeholders and the community at-large. The community engagement process included outreach to many sectors throughout the City and Santa Clara County, including community members, people with lived experience of homelessness, businesses, service providers, and City staff.

The community engagement process included the following opportunities to provide feedback:

- 4 focus groups with people with lived experience of homelessness, housing and services providers, community members, and City staff;
- Survey of the business community on how homelessness has impacted their businesses and employees with 276 respondents;
- 12 interviews with people with lived experience of homelessness;
- 6 Homelessness Taskforce Meetings open to the public;
- Community Forum open to all members of the public for participation; and
- Public comment submitted via email and during Taskforce meetings.

In addition to the feedback sources throughout the community engagement process, the following data sources were also consulted as part of this Plan.

- 2022 Santa Clara County Homeless Census and Survey Data
- Homelessness Management Information System (HMIS) Data
- Additional reports and background information shared with Homebase by City staff

The City sought feedback from the community on the draft framework of the City Plan from October-December 2022. The draft framework was presented at a City Council study session on January 10, 2023. This City Plan incorporates the City Council's feedback on the draft framework.

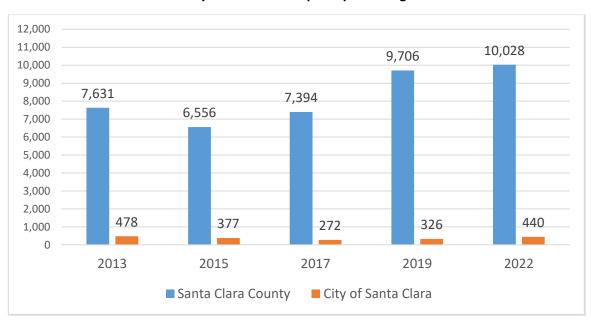
#### A Snapshot of Homelessness in the City of Santa Clara

This section provides a brief snapshot of data on people experiencing homelessness in the City of Santa Clara to provide some initial context for the City Plan as compared to the countywide Community Plan.

Every other year, the County conducts the Santa Clara County Homeless Census and Survey, a visual Point in Time (PIT) count of people experiencing homelessness on a single night. When multiple years'

<sup>&</sup>lt;sup>1</sup> The Santa Clara County Homeless Census and Survey uses the U.S. Housing and Urban Development (HUD) definition of "homeless" and includes people sleeping outside, in vehicles, in any place not meant for humans to live, as well as in emergency shelter and transitional housing. It does not include people who are living in overcrowded housing, who are couch surfing, or are paying for their own hotel room.

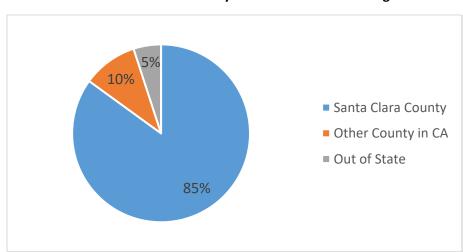
worth of PIT Count data is reviewed, it provides the best data available on the number and characteristics of people experiencing homelessness over time. Due to COVID-19, the 2021 count was pushed back a year and was conducted in February 2022.



Homeless Census and Survey: Number of People Experiencing Homelessness Over Time

The Homeless Census and Survey is an important source of information about population trends; however, the number of people who experience homelessness in the City over the course of a year is likely much higher than what a point-in-time count represents. This is because a point-in-time count only measures the number of people who are homeless on a given day. It does not account for the many people who fall in and out of homelessness during the rest of the year.

The 2022 Homeless Census and Survey revealed that the vast majority of people who are experiencing homelessness were in Santa Clara County when they lost their housing. This is consistent with data from previous years.



2022 Homeless Census and Survey: Residence when Housing Was Lost

## Overview of Existing Resources and Programs

#### The Supportive Housing System in Santa Clara County

Homelessness is a regional issue, and many of the services and programs available to City of Santa Clara residents are part of a countywide system supported by various funders, including the County of Santa Clara. The City of Santa Clara contributes resources to this countywide system, in addition to the targeted services it provides within the city itself.

#### **Homelessness Prevention**

The countywide Homelessness Prevention System provides flexible financial assistance and resources for households at risk of losing their housing. In addition to financial support, partner agencies offer case management, legal services, employment assistance, landlord mediation, and financial coaching.

#### **Supportive Housing**

Countywide, there are a range of supportive housing programs, each of which offers help finding and paying for housing, as well as connections to vital resources and supports that help people remain stably housed. The majority of these programs, including long-term permanent supportive housing and time-limited rapid rehousing and transitional housing programs, accept any resident of Santa Clara County, regardless of city. Many of these services require clients to travel to offices for services or to apply online which may be difficult if a client has low or limited literacy skills, lacks internet access, lacks skills to use technology, or lacks access to transportation.

#### **Coordinated Entry System**

The Santa Clara County Coordinated Entry System provides a streamlined, centralized system that identifies and prioritizes individuals and families experiencing homelessness with housing resources within a county-wide inventory of roughly 6,000 supportive housing units. Placements are based on the acuity of client's needs. It is important to have trained outreach workers who can locate unhoused residents, build trust, and conduct assessments so that clients can be eligible for supportive housing placement. Unfortunately, the demand for supportive housing far exceeds the supply and many high need clients remain unhoused.

#### **Emergency Shelter**

As of January 2023, 1,640 emergency shelter beds across Santa Clara County offer places to sleep inside for people experiencing homelessness. During fiscal year 2024, a total of 780 individuals with a connection to the City of Santa Clara enrolled at an emergency shelter somewhere in Santa Clara County.

#### **Here4You Call Center**

In 2022, Santa Clara County, in partnership with the Bill Wilson Center, launched the Here4You Call Center, which provides housing problem solving services and centralized referrals to emergency shelters to resolve the immediate housing crises of Santa Clara County residents. The Call Center also provides transportation to emergency shelter when necessary.

#### **Behavioral Health Services**

The Santa Clara County Behavioral Health Services Department offers a wide range of behavioral health services to ensure that residents of Santa Clara County have access to help when they need it. City of Santa Clara residents can access services through the Mental Health Call Center or the Substance Use Services Call Center.<sup>2</sup> Some of the programs offered by the County include but are not limited to, targeted outreach to housed and unhoused high utilizers of emergency services and a Mobile Crisis Response Team (MCRT) that can respond to individuals in crisis who exhibit mental health symptoms or who may be suicidal to deliver crisis intervention, de-escalation services, and connections to community resources throughout the county. More outreach is needed to help connect clients with resources and emergency shelter while they wait for permanent housing and before their health deteriorates further.

#### Resources in the City of Santa Clara

While many programs and services to reduce homelessness and its impact are countywide, the City of Santa Clara also has existing and ongoing efforts to address the issue. This section outlines the programs, services, and resources located within the City of Santa Clara that are available to people currently or at risk of experiencing homelessness.

#### **Extremely Low-Income and Supportive Housing:**

Extremely low-income (ELI) housing is housing with a particular focus on households that are between 0% to 30% of the Area Median Income (AMI). These income limits are established annually by the California Department of Housing and Community Development. Effective April 2025, this amount was a maximum income of \$60,250 for a family of four living in Santa Clara County.<sup>3</sup> Notably, 5,725 Santa Clara Households are ELI. In total, City has invested in 1,286 units of affordable housing, 306 of which are for Extremely Low Income (ELI) residents.

Supportive Housing is affordable housing that includes wrap-around services for residents to live and thrive in their home. The City invests in intensive case management for individuals residing in permanent supportive housing.

The City has supported the development of new extremely low-income and supportive housing through the 2016 Measure A Affordable Housing Bond:

#### **Calabazas Community Apartments:**

The first supportive housing complex in the City of Santa Clara, Calabazas Community Apartments, broke ground in December 2019. The 145- unit apartment building is now home to a diverse group of low-income individuals and families, some of whom previously experienced homelessness. Supportive services offered for residents include case management, social services, job assistance, financial literacy, computer training, and health education.

<sup>&</sup>lt;sup>2</sup> https://bhsd.sccgov.org/home

<sup>&</sup>lt;sup>3</sup> State Income Limits for 2025. State of California Department of Housing and Community Development, Division of Housing Policy Development. <a href="https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2025.pdf">https://www.hcd.ca.gov/sites/default/files/docs/grants-and-funding/income-limits-2025.pdf</a>

#### **Agrihood Senior Apartments:**

Agrihood Senior Apartments is a 165 affordable unit development in progress, which will consist of 70 studios, 83 one-bedrooms, 10 two-bedrooms, as well as two resident manager units. A portion of the units will be leased to qualifying senior veterans and 54 of the units will be set aside as permanent supportive housing for households experiencing homelessness.

#### **Kifer Senior Apartments:**

Kifer Senior Apartments, currently in development, will consist of 79 affordable apartments. 45 of the units will be reserved as Permanent Supportive Housing (including resident manager units) for older adults with special needs, 17 will be available to households earning up to 30% of area median income, and 17 will be available to households earning up to 50% of area median income.

#### 1601 Civic Center Drive:

1601 Civic Center Drive is currently in predevelopment. The project has been entitled and proposes to build 106 new ELI/VLI housing units including 27 Rapid Rehousing units. The City committed funding in late 2023 but a funding gap remains.

The City continues to identify resources, locations, and development opportunities for additional affordable housing units. The City allocates most of its affordable housing funds for households earning less than 80 percent of the County median income, and it recognizes the need for supportive housing for low-income seniors and persons with disabilities.

#### **Crisis Response**

While the City of Santa Clara works to increase its affordable housing supply, a process that takes years, it has invested in homelessness prevention and crisis response to ensure the city remains a safe and clean community for all, and to ensure that individuals and families at risk of or experiencing homelessness have resources to meet their basic needs. The following are services supported by the City of Santa Clara that are available to city residents experiencing homelessness or at risk of losing housing, as well as services provided by other community partners that are located within the city.

#### **Homelessness Prevention**

The City contributes \$50,000 a year to the County of Santa Clara's Homeless Prevention System. The Homeless Prevention System is comprised of a network of 20 community partners collaborating to stabilize housing for at-risk households, serving community members with vastly diverse lived experiences and of different cultures, ages, and household compositions.

#### **Rental Assistance**

The City, in partnership with Abode Services, funds a Tenant Based Rental Assistance (TBRA) program of approximately \$1,000,000 combined each year. TBRA provides housing assistance in the form of deposits and rental subsidies for up to 12 months, along with case management services, to families with children experiencing homelessness, those fleeing domestic violence, or families with children that are at risk of homelessness for households at or below 60% Average Median Income.

#### Outreach

The City's Police Department includes a Community Response Team that conducts outreach while not in uniform to respond to crises and connect people experiencing homelessness to existing services. While the team does not conduct housing assessments for the County's supportive housing system, it does facilitate assessments with partnering entities.

#### **Encampment Cleanup**

The City has an agreement with Tucker Construction to provide encampment cleanup services in the City. The Police Department's Community Response Team coordinates with other City departments as needed and partners with the Santa Clara Valley Water District, the Santa Clara County Roads and Airports Department, transportation agencies, private property owners, and others to conduct clean-up and abatement.

#### **Basic Needs**

The City, in partnership with WeHope, is piloting a service that provides weekly mobile shower and laundry service for unsheltered individuals.

The City, in coordination with United Way, provides funding of \$5,000 per year for 2-1-1 telephone-based services to help residents locate shelter and food. United Way 2-1-1 is an easy-to-remember, three-digit number that families and individuals can call to obtain free and confidential information on health and human services. This service is available in a variety of languages.

#### Case Management

The City, through NextDoor Solutions, funds \$30,000/year for comprehensive support services for survivors of domestic/intimate partner violence to address crisis, safety, stability, and self-sufficiency needs. These services aim to assist the survivor in developing self-efficacy to address immediate, short, and long-term goals and address the client's needs.

The City, in partnership with the County Office of Supportive Housing, funds \$125,000/year for intensive case management for residents of permanent supportive housing.

#### **Interim and Transitional Housing**

Covenant House provides transitional housing for youth experiencing homelessness ages 18-24 for up to two years. The program includes onsite case management, mental health counseling, education and employment support, and access to long-term housing opportunities.

The Bill Wilson Center, partially funded by the City of Santa Clara, provides short-term housing for youth ages 11-17 experiencing homelessness, transitional and supportive housing services for youth and young adults ages 17-21, as well as assistance for young-parent families.

Resources for Community Development partnered with the County to rehabilitate the Bella Vista Inn on El Camino Real. The site will operate as interim housing for 1-2 years and will convert to permanent supportive housing once phase two, which includes new units, are constructed.

There continues to be a need in Santa Clara for non-congregate interim housing for adults.

#### Behavioral and Mental Health Crisis Response

City staff regularly coordinates with the Momentum Health Trusted Response Urgent Support Team (TRUST) program to help residents during urgent mental health or substance use situations. TRUST is a community-driven mobile mental health crisis response team composed of specially trained community residents including those who have first-hand experience with mental health challenges; crisis intervention specialists; and first aid provider/responders. TRUST teams are different from other County-supported mental health crisis response teams, as they respond without involving law enforcement. The TRUST team can be reached through the suicide crisis line at 9-8-8.

The Santa Clara Police Department also coordinates closely with the Santa Clara County Psychiatric Emergency Response Team (PERT). PERT is a crisis intervention model that pairs a licensed mental health clinician with a law enforcement officer to respond to calls in real time involving people in active, acute mental health crises.

#### Community Needs and Gaps

The needs and gaps below were identified through the analysis of community data about homelessness in the City of Santa Clara, as well as input during Homelessness Taskforce meeting discussions, focus groups with a variety of stakeholders, feedback from a Community Forum event, public comments, and feedback and information from City staff.

#### **Source of Quantitative Data**

The primary data source for this analysis is the Santa Clara County Homelessness Management Information System (HMIS).<sup>4</sup> HMIS is a very useful source of data because it is a widely used system. Most people who are accessing any type of homeless-specific resource are reflected in HMIS, and all providers who use HMIS collect and enter the same data in the same way. HMIS is also able to show more than just a single point in time; it can provide data about everyone who interacted with a homeless system service provider over a period.

As with any data source, there are limitations to the data available in HMIS. The primary limitation is that HMIS only contains information about people who connect with homeless-dedicated services. For example, if someone is sleeping in their car and hasn't interacted with outreach workers or accessed any other type of housing assistance or shelter, they aren't reflected in HMIS.

The analysis below uses self-reported data in HMIS to identify individuals and families with connections to the City of Santa Clara, including those who:

<sup>&</sup>lt;sup>4</sup> Homeless Management Information System (HMIS) is a local information technology system used to collect client-level data and data on the provision of housing and services to homeless individuals and families and persons at risk of homelessness. Not all homeless service providers participate in data collection; however, participation by providers in Santa Clara County is very high.

- 2) Currently live in the City;
- 3) Lived in the City immediately prior to losing housing;
- 4) Work or attend school in the city; or
- 5) Spend most of their time in the city.

#### People Experiencing Homelessness Who are Connected to the City of Santa Clara

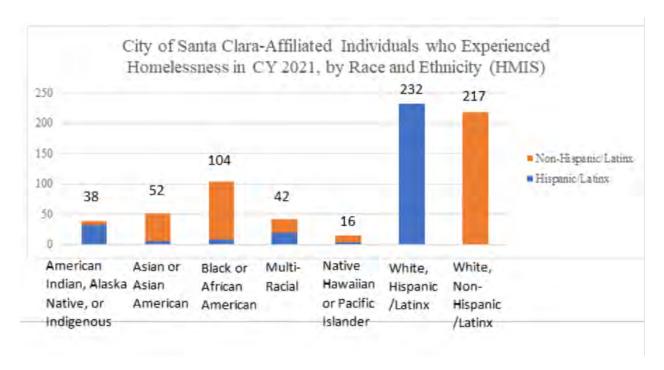
During calendar year 2021, a total of 769 individuals experiencing homelessness with a connection to the City of Santa Clara were recorded in HMIS.<sup>5</sup> HMIS data reveals that over half of those experiencing homelessness have a disability, and approximately one third have experienced domestic violence.

City of Santa Clara-Affiliated Individuals who Experienced Homelessness in CY 2021 (HMIS)				
Total	769			
Youth and Young Adults (aged 0-24)	132 (17%)			
Older Adults (aged 55+)	231 (30%)			
With a Disability	453 (59%)			
Met the Definition of "Chronically Homeless"	384 (50%)			
With Experience of Domestic Violence	264 (34%)			

Demographic information collected in HMIS illustrates the racial and ethnic makeup of this population. The chart below breaks down each response category for race by ethnicity response (Hispanic/Latinx or Non-Hispanic/Non-Latinx). The response category "White" is displayed in two separate bars, broken out by ethnicity response, due to the relatively high number of individuals identifying as White. Of 769 individuals, a total of 352 (46%) identified as Hispanic or Latinx.

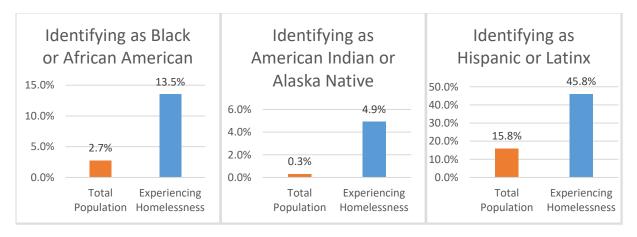
<sup>&</sup>lt;sup>5</sup> Most projects that enter data into HMIS use the U.S. Housing and Urban Development (HUD) definition of "homeless," which includes people sleeping outside, in vehicles, in any place not meant for humans to live, as well as in emergency shelter and transitional housing. It does not include people who are living in overcrowded housing, who are couch surfing, or are paying for their own hotel room.

<sup>&</sup>lt;sup>6</sup> The federal definition of "Chronically Homeless" includes people who have a disabling condition that impacts their housing stability and have experienced homelessness for at least 12 months.



As the above graph shows, the largest category of people experiencing homelessness connected to the City are people who identify as white and Hispanic or Latinx, followed by people who identify as white and non-Hispanic.

The demographics of City of Santa Clara households experiencing homelessness are particularly relevant when compared to the overall population. As the charts below show, people of certain races and ethnicities are disproportionately represented among people experiencing homelessness. In other words: certain races and ethnicities are more likely to experience homelessness than others.<sup>7</sup>



Lack of affordable housing is a key driver of homelessness.

<sup>&</sup>lt;sup>7</sup> Demographics of the total population of the City of Santa Clara were derived from U.S. Census Bureau data at: https://www.census.gov/quickfacts/fact/table/santaclaracitycalifornia/PST045222

The primary unmet need for people at risk of or experiencing homelessness across the county is access to housing they can afford, with the services and resources they need to remain stably housed. Such services could include ongoing case management and regular mental health care, not just crisis care. The table below shows the numbers of people in defined income categories of low-income households who are housing cost burdened, meaning they spend more than 30% of their gross income on housing costs. Thousands of low-income renters are living with a risk of housing loss, because of high housing costs and inadequate income.

	Population within the City of Santa Clara	Number who are Housing Cost Burdened
Low-Income (50-80% of Area Median Income)	4,995	2,675
Very Low-Income (30-50% of Area Median Income)	5,145	3,640
Extremely Low Income (<30% of Area Median Income)	6,145	5,225

In response to the countywide Homeless Census and Survey in 2022, the top five most commonly reported obstacles for people experiencing homelessness to obtain housing were:

- Can't Afford Rent;
- No Job/Income;
- No Housing Available;
- No Money for Moving Costs; and
- Housing Process Too Difficult

Input from providers, people with lived experience, and local government partners during the outreach process aligns with the data above. Households experiencing homelessness report struggling with high rents, lack of income, and low housing availability in the community. Many community members, both housed and unhoused, identified affordable housing as a top priority during the community engagement process for this plan.

#### Supportive services are necessary to long-term housing stability.

In addition to the need for affordable housing, many individuals and families experiencing homelessness need social support and targeted services to rebuild health and stability. Based on data in HMIS about Coordinated Entry System assessments for people with a connection to the City of Santa Clara, 48% were identified as needing housing assistance with time-limited supportive services, and 40% were identified as needing housing assistance with long-term or permanent supportive services.

<sup>&</sup>lt;sup>8</sup> The Comprehensive Housing Affordability Strategy (CHAS) website provides information, based on American Community Survey data for 2015-2019, about household income cross-referenced with housing characteristics: <a href="https://www.huduser.gov/portal/datasets/cp.html#year2006-2019">https://www.huduser.gov/portal/datasets/cp.html#year2006-2019</a>

Homelessness Taskforce members and service providers identified the following high-priority supports and resources:

- Support with goal-setting and coordination of services (i.e., case management);
- Medical and behavioral health care;
- Education and employment support;
- · Domestic violence advocacy;
- Transportation; and
- Services targeted to seniors and youth.

#### Crisis response resources are needed within the city limits.

A strong recurring theme through the Homelessness Taskforce discussions and community input was the need for access to key services, such as emergency shelter, proactive housing-focused outreach, and behavioral health services, within the City of Santa Clara.

In calendar year 2021, a total of 347 individuals stayed at least one night in an emergency shelter somewhere in the county. While people in the City of Santa Clara are eligible to access shelter countywide, only 10 shelter beds were located within the city itself, and those beds are all youth-dedicated in calendar year 2021. To access shelter, individuals and families must go to other cities within Santa Clara County, including people whose jobs, schools, and communities are in the City of Santa Clara.

While the Police Department's Community Response Team conducts outreach to respond to crises and to connect people experiencing homelessness to resources, this team is primarily responsive to calls from the community rather than proactive. There is no proactive street outreach in the City of Santa Clara, as there is in other areas of the county. Consistent, housing-focused street outreach is essential to meeting the basic needs of people living outside, building relationships of trust with unsheltered individuals, and conducting assessments to connect people to the County's Coordinated Entry System.

One of the most frequently identified unmet needs for people living outside or in vehicles was accessible behavioral health care. HMIS data indicates that over half of the people experiencing homelessness in the city have a disability, which includes individuals with behavioral health conditions as well as physical and developmental disabilities. Additionally, half of those recorded in HMIS are experiencing chronic homelessness, which entails long episodes of homelessness that often result in trauma and other health impacts. People with experience being unsheltered and local provider partners noted that accessing and staying connected to behavioral health care can be challenging, particularly for those living outside.

Community members, both housed and unhoused, as well as city employees who interact with the public, described the impacts of unmet behavioral health needs on the community. Currently, resources to respond to a behavioral health crisis quickly and safely, which are primarily provided by the County Behavioral Health Services Department, are limited, and not widely known in the community. In addition, transportation options to access such services can also be a barrier.

### Trash, bio waste, graffiti, and fires impact public health and quality of life for all residents.

Of the 769 individuals who experienced homelessness in calendar year 2021, 422 (55%) did not stay in an emergency shelter during that time. Many of these individuals likely spent their experiences of homelessness outside, in their vehicles, or in other places not meant for humans to live.

Individuals and families living outside or in vehicles have limited to no access to basic hygiene resources such as bathrooms, running water, laundry, and trash and bio waste disposal. This severely and directly affects the health and dignity of people who are unsheltered. It also creates public health and environmental impacts more broadly, including waste and trash in public spaces and on private property. The lack of housing also impacts public spaces such as parks, community centers and libraries as unhoused residents may prevent other community members from fully accessing these services by blocking physical access for example. Unhoused people may seek shelter in highly frequented areas, impeding access to entryways and belongings often accumulate creating a health hazard and an unwelcoming atmosphere for visitors. The daily activities of living outside can cause other public safety hazards for residents, both housed and unhoused, such as the risk of cooking fires spreading out of control. Other safety issues include drug use (e.g. methamphetamine smoke wafting into residences), vermin and disease from the accumulation of refuse, and toxic/hazardous materials spilling into waterways.

Input gathered through the Homelessness Taskforce discussions and community engagement process, as well as extensive public comment, highlighted an urgent need for expanded resources to address these impacts. The City of Santa Clara has funded both encampment cleanups and mobile shower and laundry services, but the scale of these interventions has not yet matched the need.

#### Strategies to Reduce Homelessness and its Impacts

The six Strategy Areas and 34 associated work items outlined in this section serve as a roadmap for the City of Santa Clara's ongoing and future efforts to address homelessness and its impacts. The strategies and work items were developed in coordination with the City's 2023-2031 Housing Element and the County's 2020-2025 Community Plan to End Homelessness and informed by input collected from the Homelessness Taskforce, community engagement efforts, City staff, and the City Council at the January 2023 study session. <sup>9</sup> They are designed to respond to identified community needs and service gaps through a combination of short- and long-term actions that are cost-effective, impactful, and balance compassionate support, service accessibility, and public safety.

The six Strategy Areas and associated work items are as follows:

#### Strategy Area 1: Prevent homelessness for City residents who are at-risk

Aligns with Countywide Community Plan Strategies 1 and 2

#### Objectives

- ✓ Reduce the inflow into homelessness among City residents at imminent risk of losing their housing.
- ✓ Reduce displacement and help tenants relocate when needed.
- ✓ Increase the availability and accessibility of services within the City for City residents.

#### Work Items

**1.1:** By December 2025, partner with the Charities Housing, CORE, Santa Clara County's Office of Supportive Housing, Destination Home, the Housing Authority and others to reduce rent burden for seniors living in the Belovida apartment complex and carrying out a minor rehabilitation of the building.

**1.2:** By 2027, explore increasing the City's investment in the Countywide Homelessness Prevention System to increase access to rental assistance, deposit assistance, car repair, housing problem solving, and other prevention related services for City residents.

**1.3**: By 2026, expand the City's investment in Tenant Based Rental Assistance to serve 10-20 additional households per year.

<sup>&</sup>lt;sup>9</sup> For a summary of the input from Homelessness Taskforce discussions and the community engagement process see Appendix C. While all input provided by community members during the planning process was reviewed and considered, not all community input resulted in strategies. There are multiple reasons for this, including that some activities suggested through community input have been shown to cause harm to already vulnerable people while not meaningfully reducing homelessness or mitigating its impacts. Many actions which may temporarily appear to reduce the presence of unsheltered individuals do not result in reductions in homelessness and may erode or prevent the trust that is critical to meaningfully engage and support people experiencing homelessness. This plan focuses on strategies that have the potential to reduce homelessness and its impacts in a meaningful and sustainable way.

- **1.4:** By 2026, explore implementation of policies to prevent displacement and/or facilitate a soft landing when relocation is unavoidable including but not limited to the following:
  - Policies that minimize displacement resulting from code enforcement
  - No net loss policy for income restricted affordable housing
  - Longer notification requirements for tenants when housing will be redeveloped
  - Landlord paid relocation benefits for tenants impacted by no cause and no-fault evictions
  - Creating a rental deposit cap

Strategy Area 2: Increase availability of short-term shelter, permanent supportive housing, and Extremely Low Income (ELI) housing

Aligns with Countywide Community Plan Strategies 1 and 2

#### Objectives

- ✓ Create new shelter and housing that is affordable and accessible to people experiencing or at risk of homelessness.
- ✓ Use all the tools available to the City to increase housing affordability, especially at ELI levels.
- ✓ Reduce opposition to new development at all stages from initial planning through operation.

#### Work Items

- **2.1:** By 2031, add 136 new emergency shelter, interim housing, rapid rehousing, or shared supportive housing beds/units to provide shelter options for unhoused residents in Santa Clara who are waiting for placement in permanent affordable housing.
  - Include people with lived experience in the planning process to ensure that new options are designed to meet the needs of people living in unsheltered situations.
  - Set aside beds and interim housing for unhoused residents currently living in the City of Santa Clara.
- **2.2:** Select a site, procure an operator, and implement a pilot overnight inclement weather program to be activated during cold or inclement weather events.
- **2.3** Develop an inventory of potential sites for safe parking and report back to Council on the estimated cost and funding gap to set up and operate this program for at least two years.
- **2.4:** Continue to engage with Destination: Home's Housing Ready Communities Program, SV @ HOME and other agencies to increase awareness of the causes and impacts of homelessness and best practice solutions to foster understanding of and support for affordable housing development.
- **2.5** By 2027, develop communication guidelines in collaboration with developers, service providers, property management companies, City and County departments, unhoused residents and housed neighbors to ensure successful integration of new interim and supportive housing developments into the community. This protocol may include:
  - Guidelines for staffing ratios and availability of supportive services

- Key messaging/education for housed community members as well as incoming tenants
- Creating channels for communication between neighbors during planning phases and after a housing site is operating
- Opportunities for connection and community-building for existing neighborhood residents and incoming tenants
- Coordination with and expansion (if needed) of emergency response services, as well as other community-based service options for complaints or concerns that do not warrant emergency response
- **2.6** Explore amendments to City's housing-related policies to facilitate more affordable housing development.
  - By 2031, implement programs in the Housing Element workplan (Chapter 13.2) related to zoning, general plan text amendments, updating the affordable housing ordinance, and more.
- **2.7** By 2031, work towards the Housing Element goal of permitting 1,436 extremely low and 1,436 very low income units.
- **2.8** Seek partnerships with housing developers and government agencies to leverage new state and regional funding for interim housing, permanent supportive housing, and ELI housing.

Strategy Area 3: Conduct proactive street outreach to engage people who are unsheltered and connect them to resources

Aligns with Countywide Community Plan Strategy 3

#### Objectives:

- ✓ Ensure that people experiencing homelessness in the City are assessed as part of the community's Coordinated Entry System<sup>10</sup> and connected to other services to meet their health and basic needs wherever possible.
- ✓ Proactively engage, develop rapport with, and ultimately house people with the highest needs in the community.
- ✓ Increase utilization of existing City and County homeless assistance resources by people experiencing homelessness in the City.
- ✓ Increase connections to mental health services (including crisis services) for people experiencing homelessness in the City, especially those who have been hesitant or lack the capacity to access services.

#### Work Items

<sup>10</sup> The Coordinated Entry System is a community-wide access model for supportive housing that assesses, prioritizes, and refers households experiencing homelessness to supportive housing resources as they become available. See the Santa Clara County Continuum of Care website for more information.

- **3.1** Secure a service provider to provide street and encampment-based outreach and case management to help Santa Clara residents obtain and/or retain shelter or housing through the following activities:
  - Conduct assessments in accordance with County HMIS standards.
  - Provide services to ensure households are housing ready/document ready and assist clients with creating housing plans.
  - Provide services that link clients to mental health services, substance abuse treatment services, or urgent/emergency care.
  - Provide services that help clients increase income through entitlement and benefits applications such as Medi-Cal, Calfresh, Social Security Disability Income, and Welfare-to-Work.
  - Help clients access medical, behavioral health, employment and other services.
  - Provide housing problem solving services to determine if there are ways to quickly resolve and/or avoid entering into homelessness or rapidly exiting homelessness including through conflict resolution, mediation, one-time financial assistance, relocation and other activities.
  - Collect feedback from people who are unhoused to inform improvements to the City's engagement efforts and shelter/housing/service programs.
- **3.2** Enhance the City's capacity to respond faster to crises that require clinical responses or deescalation.
  - By 2027, create written guidelines and coordinate with the County or service providers to train
    City staff who regularly interact with unhoused residents on crisis response, emergency and
    non-emergency response procedures, conflict resolution, de-escalation techniques, and
    available resources in the City or County.
- **3.3** Coordinate efforts with service providers and other partners to ensure that services provided to unhoused individuals remain consistent and uninterrupted during the 2026 Major Events.
- **3.4** Explore opportunities to support peer outreach that trains and employs people with lived experience of homelessness to provide street outreach and system navigation services.

## Strategy Area 4: Address basic needs of people living outside, including health, and hygiene

Aligns with Countywide Community Plan Strategy 3

#### Objectives:

- ✓ Create opportunities for engagement, connection, and trust-building with people living unsheltered by providing resources to meet basic needs and build a foundation for making progress toward housing goals.
- ✓ Address the immediate unsheltered crisis in the City by creating spaces for people experiencing homelessness to safely stay, address immediate needs, and access services.
- ✓ Improve the accessibility and experience of public areas throughout the City for both housed and unhoused residents.

#### Work Items

- **4.1** Continue to promote existing "pop up" hygiene, shower, biowaste, and laundry services to expand access and participation in existing programs, including:
  - Building in opportunities to connect people on-site with related services.
  - Ensuring unhoused and housed community members are aware of available services.
- **4.2** By Spring 2026, explore partnerships with other agencies, businesses, nonprofits, faith-based, and volunteer organizations to leverage funding, facilities, expertise, and staffing to support provision of basic needs services, such as food, hygiene supplies and services, and restrooms for people living unsheltered. These efforts may include resource fairs, donation drives, volunteer days/programs, and assisting with the biennial Point In Time Count.
- **4.3** Establish safe and welcoming places for people living in unsheltered situations to access. These locations should be places where people can find day-time respite from inclement weather, rest indoors, access restrooms, use computers, Wi-Fi, and phones, charge devices, and access services. Potential actions may include:
  - a. Establish standards for access to basic needs and services including but not limited to water and charging stations to incorporate in such places.
  - b. Establish a navigation center with volunteers and/or paid staff who can engage with, provide information, and connect people with services as needed.
- **4.4** Explore what it would take to install and maintain storage options for people experiencing sheltered and unsheltered homelessness and to enable safe storage of personal items.

## Strategy Area 5: Reduce the impacts of unsheltered homelessness throughout the community

Aligns with Countywide Community Plan Strategies 2 and 3

#### Objectives

- ✓ Ensure safe and healthy community spaces for all City residents.
- ✓ Leverage collective community resources to create efficient and impactful interventions.
- ✓ Improve interactions between people experiencing homelessness and housed community members by empowering, educating, and building capacity of City staff and other housed community members who regularly interact with unhoused people.

#### Work Items

**5.1** By 2027, explore opportunities within the City and with external partners, including potential partnerships with Valley Water, the County, transportation agencies, businesses, nonprofits, faith-based groups, and volunteer organizations, to leverage funding, facilities, expertise, and staffing to manage the impacts of encampments and enhance existing sanitation and safety efforts near encampments, parks, creeks, and other affected areas throughout the City.

- **5.2** Explore funding sources to supplement clean-ups and vehicle towing when RVs are used for illegal storage or illegal activity that would warrant its removal.
- **5.3** Convene a working group of key City staff who meet regularly to improve coordination, share updates and awareness of resources and programs, and work on various efforts related to unsheltered residents.
- **5.4:** Develop City protocol to triage crises and concerns. By Fall 2025, determine what issues should be routed to specific City departments, County services, street outreach and case management team, and service providers, develop a protocol, and communicate the protocol and available community resources to the street outreach and case management team and City staff who receive calls about or regularly interact with people experiencing homelessness.
- **5.5** Work with the County to implement the Community Assistance, Recovery and Empowerment (CARE) Care Court program and Assisted Outpatient Treatment for residents who refuse resources and services due to mental health, drug addiction or other challenges.
- **5.6** Develop a targeted plan to engage and house the highest utilizers of County and City resources, which includes:
  - Working with the street outreach and case management team to engage people with lived experience (including currently unsheltered community members) in planning, identify and assess participants to determine resources needed, and develop housing and support goals and plan in partnership with participants.
- **5.7** Implement City protocols for noticing and disposing of refuse and other items left after encampments are closed.

Strategy Area 6: Foster productive community conversation about the causes, needs, and experience of homelessness to foster support and volunteerism

Aligns with Countywide Community Plan Strategies 1 and 3

#### **Objectives**

- ✓ Build community support for new housing developments, new shelter beds, and programs for people experiencing homelessness in the City.
- ✓ Foster greater understanding, support, and a stronger sense of overall community by increasing connections between housed and unhoused people.

#### Work Items

- **6.1:** Engage people with lived experience of homelessness to inform decision-making about funding, housing development, and to support community education efforts.
  - a. By 2026, gather input and feedback from unhoused residents and people with lived experience of homelessness during resource fairs and through the street outreach and case management team.

- b. By 2027, coordinate with the Lived Experience Advisory Board-SV to obtain input about funding decisions and community engagement efforts.
- **6.2:** Support the County's 2027 Point in Time Count by coordinating volunteer recruitment, organizing donation efforts, and assisting with activities on the day of the count, as needed.
- **6.3:** Provide opportunities for members of the public to engage with people who have lived experience and learn about the causes of homelessness, the impact of high housing costs, barriers to exiting homelessness, what is needed to effectively respond to homelessness, and how different stakeholders can help and get involved.
  - a. Work with the County and nonprofit agencies like Destination: Home to share educational materials and information.
  - b. Use existing public meetings and forums focused on housing or homelessness to raise awareness of the experience of and contributing factors to homelessness in the City, such as the 2027 Point in Time Count.
- **6.4** Work with neighboring cities and local service providers to coordinate information sharing and connections with business, faith-based groups, and other community organizations interested in fundraising or volunteering.
  - This may include convening workshops at the City's libraries with service providers to ensure ongoing communication and awareness of new and changing programs.

**Appendix A** provides a comprehensive two-year implementation workplan to guide planning and monitor progress of the 34 work items detailed above that advance the City's homelessness response efforts.

For each work item, the workplan identifies the relevant Strategy Area, status of work efforts (if any), department(s), and resource needs (if any).

#### Ongoing

Work items that are currently being implemented with existing resources.

#### Planned

Work items that staff can reasonably initiate within the next two years, based on projected funding and staffing capacity.

#### Pending / Resource-Contingent

Potential work items that will require additional funding and staffing capacity to implement.

**Appendix B** provides a corresponding budget that includes the cost of current/budgeted services, along with additional estimated costs to implement these proposed activities, in FY 2025/26 and FY 2026/27.

### Appendix A: Two-Year Workplan (see separate document)

#### **Appendix B: Two-Year Implementation Budget**

Below is a budget that includes the services the City is currently funding and proposing to fund in FY 2025/26 and FY 202627, based on ongoing and planned work items, to implement the proposed workplan. This does not include the City's investments into affordable housing production and preservation.

Table 1. FY 2025/26

Services	Bud	dgeted / Funded	Unfunded
Tenant Based Rental Assistance (Abode Services)	\$	942,697	\$ _
Tenant Based Rental Assistance	,		
(Abode Services – HOME ARP)	\$	606,744	
Intensive Case Management (County)	\$	125,000	\$ -
Landlord/Tenant Mediation (Project Sentinel)	\$	69,159	\$ -
Homelessness Prevention (County)	\$	50,000	\$ -
Mobile Shower and Laundry (WeHOPE)	\$	50,178	\$ -
Domestic Violence Services (NextDoor)	\$	30,000	\$ -
211 Hotline (United Way)	\$	5,000	\$ -
Proposed Street Outreach/Case Management, Temporary Hotel Program, and Inclement Weather Hotel Program (WeHOPE) <sup>11</sup>	\$	856,088	\$ -
Encampment Cleanups (Tucker Construction)	\$	112,200	\$ 65,000
Towing <sup>12</sup>	\$	67,000	TBD
Proposed Safe Parking Program (Pending viable site)	\$	-	\$ 1,600,000
Remaining State Grant to Fund TBD Services that Further Enhance the City's Homelessness Response	\$	87,828	\$ 
TOTAL	\$	3,001,890	\$ 1,665,000

<sup>11</sup> The City received a State grant in the amount of \$1,800,000 for the purpose of funding a street and encampment outreach team, launching a pop-up overnight care pilot program during inclement weather, and explore partnerships with other agencies, businesses, non-profits, and faith-based organizations to leverage resources to create a more comprehensive homelessness response. The proposed services will be funded by this grant.

<sup>&</sup>lt;sup>12</sup> This budget is used for vehicle towing across the City. The City does not have a specific budget allocation for RVs that are used for illegal storage or illegal activity that warrants their removal.

Table 2. FY 2026/27

able 2. FY 2026/27					
Services	Budo	geted / Funded		Unfunded	
Tenant Based Rental Assistance (Abode Services)	\$	506,000	\$	_	
Tenant Based Rental Assistance (Abode Services – HOME ARP)	\$	606,744			
Intensive Case Management (County)	\$	125,000	\$	-	
Landlord/Tenant Mediation (Project Sentinel)	\$	67,803	\$	-	
Homelessness Prevention (County)	\$	50,000	\$	-	
Mobile Shower and Laundry (WeHOPE)	\$	50,178	\$	-	
Domestic Violence Services (NextDoor)	\$	30,000	\$	-	
211 Hotline (United Way)	\$	5,000	\$	-	
Proposed Street Outreach/Case Management, Temporary Hotel Program, and Inclement Weather Hotel Program (WeHOPE) <sup>13</sup>	\$	856,088	\$	_	
Encampment Cleanups (Tucker Construction)	\$	114,444	\$	65,000	
Towing <sup>14</sup>	\$	67,000		TBD	
TOTAL	\$	2,478,257	\$	65,000	

<sup>13</sup> The City received a State grant in the amount of \$1,800,000 for the purpose of funding a street and encampment outreach team, launching a pop-up overnight care pilot program during inclement weather, and explore partnerships with other agencies, businesses, non-profits, and faith-based organizations to leverage resources to create a more comprehensive homelessness response. The proposed services will be funded by this grant.

<sup>&</sup>lt;sup>14</sup> This budget is used for vehicle towing across the City. The City does not have a specific budget allocation for RVs that are used for illegal storage or illegal activity that warrants their removal.

#### **Appendix C: Summary of Taskforce Discussion and Community Engagement**

#### Overview

Below is a summary of ideas that were raised and key themes that emerged during Taskforce meeting discussions, focus groups with a variety of stakeholders, feedback from the Community Forum event, public comments sent to the Homebase team, public comments provided during Taskforce meetings, and additional feedback and information shared with Homebase by City staff. Please note that while these are not direct quotes and some ideas that were shared in multiple venues have been synthesized to reduce repetition, Homebase has presented the feedback and ideas below as they were shared by partners and stakeholders.

To facilitate alignment with the countywide Community Plan to End Homelessness, the themes have been categorized loosely within the three strategies of the County Plan available <a href="here">here</a>.

Feedback was also collected through a survey of City of Santa Clara business owners, and those responses are summarized separately. Finally, this summary includes initial feedback from Taskforce members on the draft City Plan Framework.

## Community Plan Strategy 1: Address the root causes of homelessness through system and policy change.

This strategy of the countywide Community Plan is targeted to address the entrenched economic and societal causes of homelessness through transformational systemic and policy change.

### Theme 1.1: Community Engagement and Education to Increase Knowledge of and Expand Support for Efforts to Reduce Homelessness and its Impacts

- Community education about what homelessness looks like, what resources are available, and the reasons people end up unhoused is a space where the City can provide support (Community Forum, PD Advisory Committee)
  - o Share stories and fight against stigma of people experiencing homelessness.
  - Talk more about Housing First and how it works.
  - Host more Community Forums to talk about the issue and connect with the community.
- Partner with local businesses, e.g. host a fundraiser to bring awareness to the issue and give proceeds to assist people that are unhoused in the City (Public Comment)
- Increase community connection between community members that are unhoused and those that are housed. (Community Forum, Lived Experience Focus Group)
  - Identify volunteer opportunities and other ways for community members to help that are safe and impactful
- Improve community outreach and education to City residents, especially those that are concerned about homelessness and believe more needs to be done. (Public Comment)

- Address concerns of community members who might oppose new housing developments in the City. (Community Forum)
  - o Assuage fears that low-income housing will negatively impact neighborhoods.
  - Address concerns from long-time residents about maintaining property values as new apartments or developments pop up.
  - Provide more community conversations before housing projects are brought to large community meetings.
  - o Identify a recommended set of "good neighbor" practices that regular communication between property managers, city departments, and neighbors
- Recognize that homelessness is a regional issue and requires partnership and ongoing communication and coordination between the County, cities, service providers, etc.; strengthen collaboration between County and surrounding cities. (Taskforce Discussion, City Staff Focus Group)

#### Theme 1.2: Lack of Affordable Housing is a Key Driver of Homelessness

- There is an extreme lack of affordable housing available to low-income folks; the cost of housing is a primary barrier for people who are experiencing homelessness to regain housing. Affordable housing is not always affordable enough for people with extremely low income. (Community Forum, Lived Experience Focus Groups, Provider Focus Group)
- Developers of affordable housing face a variety of obstacles; City leaders can and should do
  more to make it more feasible for developers to develop low-income housing. (Community
  Forum, Provider Focus Group)
- Changes to local housing policy are needed to allow for development of more housing for people with extremely low income (ELI)/supportive housing. (Community Forum, Provider Focus Group, Taskforce Discussion, Public Comment)
  - Increase housing supply for the most vulnerable by exploring inclusionary housing policy and requiring more affordable housing units in new developments.
  - Explore changes to expedite the permitting process.
  - Create a mechanism to determine how many mid or high-rent properties remain unfilled and require the units that have been empty for a certain period to be opened to low-income community members.
  - o Create formal city policies to prioritize affordable housing development.
  - Charge a surtax on vacant residential properties.
- Locate affordable housing and interim housing in opportunity zones parts of the City that have access to good jobs, schools, and are safe rather than concentrating permanent and interim housing in areas of the City that are inaccessible and unsafe. (Community Member Focus Group)
- Use the Housing Element planning process to prioritize ELI housing development. (Community Forum)
- Identifying sites for affordable and/or supportive housing is difficult, there is often push-back from neighbors (Community Forum, Taskforce Discussion, Public Comment)

• Supportive housing must have adequate ongoing budget for supportive services and operations (Taskforce Discussion)

#### Theme 1.3: Protections from Eviction and Displacement

- Expand eviction protections; cover more properties under these protections. (**Provider Focus Group**)
- Enact anti-rent gouging protections and security deposit limits. (Provider Focus Group)

#### Theme 1.4: Education, Employment, and Living Wage Opportunities

- Education and employment are key to keeping people housed. (Provider Focus Group, Lived
   Experience Focus Group)
- Increase minimum wage. (Lived experience focus group)
- Lack of available and affordable childcare is a huge barrier for single parent households, especially to hold a job and even to search for housing. (Lived Experience Focus Group)
- Provide more long-term sustainability supports (e.g. life skill building) (Provider Focus Group,
   Lived Experience Focus Group)
- Need more resources for youth within the City, to get them on the right track with their education/employment and set them up for success in the future. (Lived Experience Focus Group)
  - Preventing homelessness for youth in the first place.
  - Increase access and funding for apprenticeships for youth experiencing homelessness or in the child welfare system.
- Many folks experiencing homelessness or housing stability have jobs, but cost of living is so high that folks can't maintain housing themselves. (Lived Experience Focus Group)
  - Eligibility to receiving resources is a challenge for folks that have some income (in poverty but don't qualify for help).

## Community Plan Strategy 2: Expand Homelessness Prevention and Housing Programs to Meet the Need

Strategy 2 of the countywide Community Plan focuses on building capacity to provide a broad array of housing, prevention, and supportive services over the next five years.

#### Theme 2.1: Increase Development of ELI/Supportive Housing

- Set metric goals for the City for supportive housing production both permanent and interim solutions. (e.g. identify pieces of land, build a certain number of units). (Taskforce Discussion)
- Use funding that's already available but may not be fully utilized (e.g. invest in more Measure A). (Community Forum)

- Need to ensure there is funding for supportive services to be attached to developments; State is
  making money available for capital improvements but not services. (Provider Focus Group)
- Require that supportive housing communities and other providers in the City have open discussions and regular meetings with public safety entities to maintain open communication (Community Forum, Taskforce Discussion)
- Advocate for an increase in PD and first responders to anticipate increase in service calls to supportive housing communities. (Taskforce Discussion)
  - Recognize that first year or two when new housing opens can be especially challenging as residents stabilize. This is not a constant throughout the life of the project.

## Theme 2.2: More Local and Population Specific Programs and Services are Needed in the City

- Santa Clara lacks a "one-stop" service provider like Sunnyvale Community Services. (City Staff Focus Group)
- City needs to invest in services to prevent folks from slipping back into homelessness because they lack resources/connections/social support after being housed. (**Provider focus group**)
- Need for more services located within the City and available to people who live in the City. (Community Forum)
- Increase resources specializing in serving older adults, who are increasingly becoming a bigger portion of the unhoused population in the City and often require skilled nursing. (Provider Focus Group, Community Forum, Taskforce Discussion)
- Target housing and wrap-around services to help subpopulations that are especially vulnerable
  to becoming unhoused including survivors of domestic violence and LGBTQ+ youth that may
  have been kicked out of home by their families. (Community Forum)
- Provide services and housing to people that may have criminal history, low credit scores, or other risk factors for homelessness to find housing. (Community Forum, Lived Experience Focus Group)
- Increase intensive case management services within the City, like Homesafe Program (Provider Focus Group)
- Help people with rent deposits and other homelessness prevention services to keep people from experiencing the trauma of homelessness in the first place, especially as cost of living and housing costs continue to increase. (Lived Experience Focus Group, Community Forum, Provider Focus Group)

#### Theme 2.3: Increase Community Knowledge of Available Resources in the City

- Need more information about what services/ resources are available. (Community Forum, Taskforce Discussion, (Lived Experience Focus Group, Provider Focus Group, Public Comment)
  - o It's hard for people experiencing homelessness to navigate.
  - Service providers, City Staff, and community members don't always know what is available and how to help folks.

- o County's Shelter Hotline does not have much knowledge of what resources the City has.
- o Ensure that food pantries and other resources are visible and accessible.
- o Ensure resources/ services provided by County are also accessible within the City.
- Ensure information about available resources/ services are disseminated to people who have English as a second language by creating partnerships with agencies, churches, synagogues, mosques, and other entities that have close relationships with cultural groups within the City (Community Forum)

### Theme 2.4: Raise the Voices of People with Lived Experience of Homelessness

- Center the voices of those with lived experience as the City considers funding, policies and changes that impact those that are unhoused. (Taskforce Discussion, Provider Focus Group)
- Strengthen representation of lived experience from the City of Santa Clara on the County's Lived Experience Advisory Board. (Taskforce Discussion)

## Community Plan Strategy 3: Improve Quality of Life for Unsheltered Individuals and Create Healthy Neighborhoods for All

Strategy 3 of the countywide Community Plan addresses the immediate crisis of homelessness in our community by focusing on doubling temporary housing and shelter capacity, meeting health, safety, and other basic needs of people living in unsheltered conditions, and addressing concerns about the impacts of homelessness in the community.

### Theme 3.1: Ensuring Safe and Welcoming Community Spaces for All Residents

- Increase funding for cleanliness and trash removal throughout the City. (Public Comment,
   Provider Focus Groups, City Focus Group, Community Forum, City Staff Focus Group)
  - Increased trash, bio waste, graffiti, fires, vandalism generate expenses for clean-up and repairs at City facilities.
  - Funding limitations and cuts have impacted the ability to meet the need for trash removal and clean-up in City parks.
  - Focus on creeks and waterways; partner with Valley Water to increase abatement in the creek and waterway system; hold quarterly creek cleanup and removal of encampments, trash, and pollutants from waterways in the City.
  - Address increase in RVs parked for extended periods of time and the trash and bio waste impacts of RV residents.
  - Ensure that health and safety guidelines are followed at encampments and around the City.
  - Provide garbage bins by creeks and throughout the City.

- o Improve responsiveness to cleanup requests from residents.
  - The frequency of trash cleanup needed is also an issue trash will get picked up but then be there again the next day.
- o Focus on Central Park.
- Businesses in Santa Clara are impacted by people who are unsheltered living on the sidewalk or nearby.
- Eliminate the city-wide Clean-Up Campaign and replace it with a voucher for each household to visit a dump site. (PD Advisory Committee)
- City staff need more resources/training/assistance to City staff to feel safe and equipped to handle issues as they come up. (City Staff Focus Group)
  - Noticing more people with severe mental illness and substance abuse issues and City staff are not equipped and are concerned about safety at work.
    - Crisis mental health outreach often requests PD presence for increased safety
  - o Concerned about financial liability due to damaged facilities and vandalism.
  - Provide opportunity for City staff to partner with the Lived Experience Advisory Board to learn how to interact with people experiencing homelessness. Meeting with people with lived experience to better understand the mindset they were in when they were in that experience may be powerful.

### Theme 3.2: Increased City-specific Outreach and Connection to Services, Especially for Those who are Hardest to Reach or to Engage in Services

- Need dedicated street outreach team for the City (Community Forum, Taskforce Discussion, Provider Focus Group, PD Advisory Committee, Public Comment, City Focus Group)
  - Andrea's estimate for two full-time people with a dedicated vehicle would cost the city around \$200,000/ year.
  - On top of building rapport and meeting basic needs, outreach must connect the City's unhoused residents with VI/SPDAT assessment which is needed prior to accessing all supportive housing opportunities.
  - Outreach needs to be focused on those that are hardest to reach.
  - The Police department recently added a licensed mental health clinician to augment existing Crisis Intervention Specialists, but clinicians are hesitant to respond without a police presence. Hiring additional Community Response Team personnel could allow for more clinicians to access unhoused residents.
  - Add outreach/clinical team response as an alternative to police for quality of life/behavioral health calls.
  - Track and reduce the number of "service-resistant" people (individuals who are not receptive to services).
- Improve quality of life for people that are unsheltered in the city; need more immediate solutions to meet basic needs through outreach, hygiene services, etc. (Community forum, Lived Experience Focus Group, Taskforce Discussion, City Staff Focus Group)

- Provide free or low-cost healthcare services within the City (similar to Gardner Family Center in San Jose)
- Increase Dignity on Wheels locations and advertise it through flyers throughout the City;
   place in locations near schools (e.g. community colleges), jobs and other resources;
   provide longer time frame for showers.
- Increase access to behavioral health services (Community Forum, Provider Focus group, Lived Experience Focus Group, Taskforce Discussion)
  - Need stronger coordination between City, County behavioral health services, and housing providers; clients get lost in the County system.
  - Address hesitancy to accept services (e.g. ensure folks significantly impaired by a mental health or substance use condition receive psychiatric assessment and are connected to services if accepted).
  - o Explore options to provide treatment if they are significantly disabled by a mental health or substance use condition and do not currently meet the standard for conservatorship.
  - Substance use treatment in our community is not designed to effectively serve people who are unhoused. Access to treatment takes time, is often scheduled weeks or months out, and is often outpatient (with no bed attached.)
- Provide public transit passes and other transportation options (E.g. GoPasses, which is provided in San Jose) to enable people to access services. (Lived Experience Focus Groups, Provider Focus group, Taskforce Discussion)

#### Theme 3.3: Opportunities to Increase Temporary Housing and Shelter

- Identify city-owned land for temporary housing and encampments. (PD Advisory Committee)
  - o Interim in nature while City waits ongoing permanent structures like the old Bella Vista motel, Kifer Senior, etc.
- Explore options like safe parking (with supportive services) for people living in vehicles and RVs. (Taskforce Discussion, Provider Focus Group, PD Advisory Committee)
- Utilize empty buildings as low-barrier shelters. (Lived Experience Focus Group)
- Provide vouchers for short-term hotel/motel stays. (Provider focus group, Community Forum)
- Continue what the City is doing with Homekey. (Lived Experience Focus Group)
- Utilize hotels and motels to convert to transitional/interim housing. (Community Forum)

#### Summary of Responses to City of Santa Clara Business Community Survey

The Business community survey was open to people who own or operate a business within the City of Santa Clara. The survey consisted of several multiple-choice questions to prioritize proposed strategies, as well as opportunities for open ended feedback. The survey was circulated by the Silicon Valley Chamber of Commerce September-October 2022 and received 276 responses.

For the multiple-choice questions, business owner expressed the most support for the following proposed strategies:

- Expand outreach within the City to proactively connect people experiencing homelessness with case management, assessment, and potential housing opportunities (177 respondents)
- Improve communication among service providers and businesses in the City (91 respondents)
- Change local housing ordinances to make it easier to build additional housing (81 respondents)
- Increase community education and conversations about what homelessness in the City of Santa Clara looks like, what resources are available, and where community members can volunteer (81 respondents)

Common themes from the open-ended responses included:

- Increase policing and enforcement of existing laws, especially related to drug use, theft, and property damage
- Address mental health and addiction with increased services, including in-patient mental health or mandated treatment. Relocate people and/or resources to different areas (e.g. rural areas outside of the City or specified areas within the city with co-located services)
- Provide job training and connect homeless people to job opportunities

#### Initial Response to Draft Strategic Plan Framework from Taskforce Members

The sixth and final meeting of the Homelessness Taskforce was held on October 27 where a draft framework was presented. Below is a summary of feedback from that discussion:

- Several Taskforce members suggested making it clearer that affordable housing is a priority. It's currently listed last, which doesn't match with the importance of housing to address homelessness.
  - There need to be enough housing programs to connect people to when engaged through outreach. Have learned through a site visit that sustainable funding for ongoing services and operation of housing programs is as important as the building.
  - o Interested in more in the plan about the mechanisms the City will use to embrace housing development.
- Several Taskforce members appreciated the inclusion of prevention strategies and cited that as a priority.
  - Add a strategy to provide prevention support for families through collaboration with school districts.
- Several Taskforce members recommended separating interim housing and permanent housing programs into separate strategy areas.
- Street outreach strategies under Priority Area 3 were identified as a priority for several Taskforce members.
- Add concrete parameters for the strategies. For example, add information about the funding amounts available, and/or set targets for the type and amounts of housing and services to be created, along with expected costs.
- In Priority Area 1, consider language more broad than "assessing people for supportive housing." Conducting Coordinated Entry assessments isn't the only role outreach plays in connecting people to housing. Outreach also develops relationships with people that make them more likely to engage with available resources.
- Include more targeted strategies for subpopulations, such as young people and seniors.
- Appreciated that feedback from the Taskforce and community is clearly reflected in the draft framework.
- Mental health can be a cause of homelessness, particularly in young people, so recommend investing in youth mental health.
- Do more to highlight the importance of building broad-based support in the community.

Appendix A provides a comprehensive two-year implementation workplan to guide planning and monitor progress of the City's homelessness response efforts. In total, there are 34 separate work items that make up the two-year workplan. For each work item, the workplan identifies the relevant Strategy Area, status of work efforts (if any), lead department(s), and resource needs (if any).

The tables below categorize the work items according to anticipated implementation timelines and resource availability:

- Ongoing
  - Work items that are currently being implemented with existing resources.
- Planned
  - Work items that staff can reasonably initiate within the next two years, based on projected funding and staffing capacity.
- Pending / Resource-Contingent
  Potential work items that require additional funding and staffing capacity to implement.

#### **Ongoing Work Items (17 Items)**

Strategy Area	Work Items	Status	Department	Resource Needs
Strategy Area  Strategy Area 1: Prevent homelessness for City residents who are at-risk  Objectives:  Reduce the inflow into homelessness among City residents at imminent risk of	1.1 By December 2025, partner with the Charities Housing, CORE, Santa Clara County's (County) Office of Supportive Housing, Destination Home, the Housing Authority and others to reduce rent burden for seniors living in the Belovida apartment complex and	Work efforts are underway and in the implementation phase.	Community Development – Housing & Community Services Division	Completing with existing staff and resources.
<ul> <li>Reduce displacement and help tenants relocate when needed.</li> <li>Increase the availability and accessibility of services within the City for City residents</li> </ul>	carry out a minor rehabilitation of the building.  1.2 By 2027, explore increasing the City's investment in the Countywide Homelessness Prevention System to increase access to rental assistance, deposit assistance, car repair, housing problem solving, and other prevention related services for City residents.	The City has an existing agreement with the County for this partnership through 2027. Staff is monitoring use of these services and will request additional funding if needed for future years.	Community Development – Housing & Community Services Division	Future funding needs will be determined and requested by 2027.

Strategy Area	Work Items	Status	Department	Resource Needs
	1.3 By 2026, expand the City's investment in Tenant Based Rental Assistance (TBRA) to serve 10-20 additional households per year.	In 2023, City Council approved the HOME Investment Partnerships American Rescue Plan Program (HOME ARP) Plan which allocated approximately \$1M to a TBRA service that will cover approximately 10-20 additional households per year through mid-2027. As of May 2025, staff is preparing program policies and procedures.	Community Development – Housing & Community Services Division	Completing with existing staff and resources
	1.4 By 2026, explore implementation of policies to prevent displacement and/or facilitate a soft landing when relocation is unavoidable (e.g., code enforcement impacts, no net loss, extended tenant notice, relocation benefits, and rental deposit cap).	Work efforts are underway, both internally and in collaboration with Cities Association Community Planning Collaborative working group.	Community Development – Planning Division	Completing with existing staff and resources; however, additional staffing resources may be required in the future to complete this effort.
Strategy Area 2: Increase availability of short-term shelter, permanent supportive housing, and Extremely Low Income (ELI) housing  Objectives:  Create new shelter and housing that is affordable and accessible to people experiencing or at risk of homelessness.	2.1 By 2031, add 136 new emergency shelter, interim housing, rapid rehousing, or shared supportive housing beds/units to provide shelter options for unhoused residents in Santa Clara who are waiting for placement in permanent affordable housing. The planning process should include people with lived experience and beds and interim housing should be set aside for	City Council has an existing Council Priority to "Provide Interim Supportive Housing and Outreach Services for the Unhoused" and the City's Housing Element includes a goal to increase access to interim housing, rapid rehousing, or emergency shelter beds by 30% from 453 to 589, reflecting a change of 136 beds/units.	Community Development – Housing & Community Services Division	The two potential housing projects that are in the pipeline are pending State funding.  The temporary hotel program will be funded for two years by a state grant secured by State Senator

Use all the tools available to the City to increase housing affordability, especially at ELI levels.     Reduce opposition to new development at all stages – from initial planning through operation.    Notober 2024, City	Strategy Area	Work Items	Status	Department	Resource Needs
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Strategy Area	Work Items	Status	Department	Resource Needs
	emergency overnight shelter program to be activated during inclement weather events.	recommending Council approval of an agreement with WeHope to provide additional services to the City's unhoused residents over a two-year period, including operation of an inclement weather hotel program that will include up to ten rooms to be used for emergency shelter at a local hotel during inclement weather events.	<ul> <li>Housing &amp; Community Services Division (Lead Department)</li> <li>Office of Emergency Management</li> </ul>	the new Housing & Community Services Management Analyst and will be funded for two years by the state grant secured by State Senator Aisha Wahab.
	2.3 Develop an inventory of potential sites for safe parking and report back to Council on the estimated cost and funding gap to set up and operate this program for at least two years.	There is an existing City Council Priority for "Off Street Parking for RVs/People Living in Cars". To date, staff has visited safe parking programs in Palo Alto and Mountain View, researched best practices for operations and minimum site requirements, developed a cost estimate (approximately \$1,600,000) for setting up and operating a safe parking site for 30-40 oversized vehicles over a period of 2-3 years, submitted funding requests to the City's state representatives, and surveyed 155 City-owned sites to determine their feasibility for this use. Of the surveyed sites, one site met general criteria of being a	Community     Development     Housing &     Community     Services     Division     (Lead     Department)     City     Manager's     Office	Pending a viable site, approximately \$1,600,000 is required to set up and operate this program for 2-3 years. The proposed street outreach and case management team can serve clients at a safe parking site.

Strategy Area	Work Items	Status	Department	Resource Needs
		leveled site greater than one acre, with potable water access, for 30-40 oversized vehicles; however, there are a number of items that still need to be worked through, including ingress/egress and funding. At the July 8, 2025 Study Session, staff will ask for Council feedback prior to conducting outreach to the community.		
	2.4 Continue to engage with Destination: Home's Housing Ready Communities Program, SV @ HOME and other agencies to increase awareness of the causes and impacts of homelessness and best practice solutions to foster understanding of and support for affordable housing development.	Staff attends training with Destination Home and engages with other agencies on these topics.	Community Development – Housing & Community Services Division	This effort is being completed by existing staff.
Strategy Area 3: Conduct proactive street outreach to engage people who are unsheltered and connect them to resources  Objectives:  Ensure that people experiencing homelessness in the City are assessed as part of the community's	3.1 Secure a service provider to provide street outreach and case management to help Santa Clara residents obtain and/or retain shelter or housing through various activities including conducting assessments, providing services to ensure clients are housing/document ready; assisting clients with developing housing plans, accessing services and connections to mental health services, substance abuse treatment, or emergency care, and applying for benefits; and	City Council has an existing Council Priority to "Provide Interim Supportive Housing and Outreach Services for the Unhoused". As part of the July 15, 2025 agenda, staff is recommending Council approval of an agreement with WeHope to provide additional services to the City's unhoused residents over a two-year period, including a street outreach and case	Community Development – Housing & Community Services Division	This new program will be managed by the new Housing & Community Services Management Analyst and will be funded for two years by the state grant secured by State Senator Wahab.

Strategy Area Work Items	Status	Department	Resource Needs
Coordinated Entry System¹ and connected to other services to meet their health and basic needs wherever possible.  Proactively engage, develop rapport with, and ultimately house people with the highest needs in the community.  Increase utilization of existing City and County homeless assistance resources by people experiencing homelessness in the City.  Increase connections to mental health services (including crisis services) for people experiencing homelessness in the City, especially those who have been hesitant or lack the capacity to access services.  Collecting feedback to inform improvements to the City's engagement efforts and shelter/housing/service programs.  3.2 Improve the City's capacity to respond faster to crises that require clinical responses or deescalation. By 2027, create written guidelines and coordinate with the County or service providers to train City staff who regularly interact with unhoused residents on crisis response, emergency response procedures, conflict resolution, de-escalation techniques, and available resources in the City or County.	The Police Department's Community Response Team has a team of Crisis Intervention Specialists, partnered with a mental health clinician, that responds to active crisis situations throughout the City. City staff also regularly coordinates with the Momentum for Health Trusted Response Urgent Support Team (TRUST) program to help residents during urgent mental health or substance use situations and the County's Mobile Crisis Response Team (MCRT) to conduct mental health assessments and safety planning.  Additionally, the City has an agreement with Care Solace to provide coordination services for mental health	Police (Co-Lead     Department -     Training,     Lead     Department -     Crisis     Response)     City     Manager's     Office (Lead     Department -     Care Solace)     Human     Resources	Completing with existing resources.

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<sup>&</sup>lt;sup>1</sup> The Coordinated Entry System is a community-wide access model for supportive housing that assesses, prioritizes, and refers households experiencing homelessness to supportive housing resources as they become available. See the Santa Clara County Continuum of Care website for more information.

Strategy Area	Work Items	Status	Department	Resource Needs
		Additionally, the City is collaborating with the County to provide training to staff on how to respond to emergency and non-emergency situations, including de-escalation strategies and techniques. Those include understanding safety/risks, tools to deescalate situations, reporting incidents, and get help when needed.		
Strategy Area 4: Address basic needs of people living outside, including health, and hygiene  Objectives:  Create opportunities for engagement, connection, and trust-building with people living unsheltered by providing resources to meet basic needs and build a foundation for making progress toward housing goals.	4.1 Continue to promote "pop up" hygiene, shower, biowaste, and laundry services to expand access and participation in existing program.	The City has an existing agreement with WeHope for these services through February 2026 with the option to extend one additional year. Staff will continue to promote the Dignity on Wheels program, which is currently located at Marsalli Park every Wednesday from 9 a.m. – 1: 30 p.m., through outreach and engagement with City partners.	Community Development – Housing & Community Services Division	Completing with existing staff and resources.
<ul> <li>Address the immediate unsheltered crisis in the City by creating spaces for people experiencing homelessness to safely stay, address immediate needs, and access services.</li> <li>Improve the accessibility and experience of public areas</li> </ul>	4.2 By Spring 2026, explore partnerships with other agencies, businesses, nonprofits, faith-based, and volunteer organizations to leverage funding, facilities, expertise, and staffing to support provision of basic needs services, such as food, hygiene supplies and services, and restrooms for	Staff has begun engaging nonprofits and volunteer organizations on potential partnerships to support these efforts, especially resource days, and will continue to explore new partnerships to provide services, programming, and	Community     Development     Housing &     Community     Services     Division (Co-Lead     Department)	This will be assigned to the new Housing & Community Services Management Analyst, with additional support from existing staff.

Strategy Area	Work Items	Status	Department	Resource Needs
throughout the City for both housed and unhoused residents.	people living unsheltered. These efforts may include resource days, donation drives, volunteer days/programs, and assisting with the biennial Point In Time Count.	outreach for people experiencing homelessness.	City     Manager's     Office (Co- Lead     Department)	Potential services and programs established through these partnerships could be funded with the remaining state grant secured by State Senator Aisha Wahab.
Strategy Area 5: Reduce the impacts of unsheltered homelessness throughout the community  Objectives:  Ensure safe and healthy community spaces for all City residents.  Leverage collective community resources to create efficient and impactful interventions.  Improve interactions between people experiencing homelessness and housed community members by empowering, educating, and building capacity of City staff and other housed community members who regularly interact with unhoused people.	5.1 By 2027, explore opportunities within the City and with external partners, including potential partnerships with Valley Water, the County, transportation agencies, businesses, nonprofits, faith-based groups, and volunteer organizations, to leverage funding, facilities, expertise, and staffing to manage the impacts of encampments and enhance existing sanitation and safety efforts near encampments, parks, creeks, and other affected areas throughout the City.	The City works collaboratively with other agencies to manage the impacts of encampments and has an existing agreement with Tucker Construction for encampment cleanup services that are in the City's jurisdiction. Staff coordinates as necessary with other agencies so they can clean up encampments located in their jurisdiction. Staff will explore possible partnerships with other organizations to leverage resources to address and mitigate these impacts.  In February 2025, Valley Water proposed the formation of a county-wide joint powers authority that would focus on unsheltered homelessness. The City provided a letter of interest	Police Department (Co-Lead Department) Public Works (Co-Lead Department) City Manager's Office (Co-Lead Department) Parks and Recreation	Completing with existing staff but additional resources may be requested in the future.

Strategy Area	Work Items	Status	Department	Resource Needs
		and is waiting to hear back on potential next steps.		
	5.2 Explore funding sources to supplement clean-ups and vehicle towing when RVs are used for illegal storage or illegal activity that would warrant their removal.	The FY 2025/26 and FY 2026/27 budget for Tucker Construction encampments cleanups is \$112,200 and \$114,444, respectively. On average 15 cleanups can be done per year at an average cost of \$7,500 per cleanup event. Staff recommends increasing this to 24 cleanups per year. The FY 2025/26 and FY 2026/27 budget for citywide towing (not specific to RVs used for illegal storage or illegal activity) is \$67,000 per fiscal year. Staff recommends increasing capacity to tow as needed and is developing a cost estimate.	Police     Department     (Co-Lead     Department)     Public Works     (Co-Lead     Department)	An additional \$67,500 per fiscal year (\$135,000 total) is requested to support additional cleanups. Staff recommends increasing capacity to tow as needed and is developing a cost estimate.  Funding source(s) to be identified).
	5.3 Convene a working group of key City staff who meet regularly to improve coordination, share updates and awareness of resources and programs, and work on various efforts related to unsheltered residents.	A working group of staff from departments across the City began meeting in Fall 2024 to coordinate on homelessness-related work efforts, including but not limited to the 2025 Point In Time Count and development of new services. This group will continue meeting regularly.	<ul> <li>City Manager's Office (Lead Department)</li> <li>Community Development – Housing &amp; Community Services Division</li> <li>Police</li> <li>Public Works</li> </ul>	Completing with existing staff and resources.

Strategy Area	Work Items	Status	Department	Resource Needs
			<ul> <li>City         Attorney's         Office</li> <li>Library</li> <li>Office of         Emergency         Management</li> <li>Parks and         Recreation</li> </ul>	
	5.4 Develop City protocol to triage crises and concerns. By Fall 2025, determine what issues should be routed to specific City departments, County services, street outreach and case management team, and service providers, develop a protocol, and communicate the protocol and available community resources to the street outreach and case management team and City staff who receive calls about or regularly interact with people experiencing homelessness.	Currently there is an informal workflow for routing issues. Staff will work on formalizing the process and train staff and the proposed street outreach and case management team.	<ul> <li>City         Manager's         Office (Lead         Department)</li> <li>Community         Development         – Housing &amp;         Community         Services         Division</li> <li>Police</li> </ul>	Completing with existing resources.
	5.5 Work with the County to implement the Community Assistance, Recovery and Empowerment (CARE) Care Court program and Assisted Outpatient Treatment for residents who refuse resources and services due to mental health, drug addiction or other challenges.	The City, through the Police Department's Community Response Team, is working with the County on these efforts.	Police Department	Completing with existing and allocated staff and resources; however, additional resources may be needed in the future.

Planned Work Items (10 Items)

Strategy Area	Work Items	Status	Department	Resource Needs
Strategy Area 2: Increase availability of short-term shelter, permanent supportive housing, and Extremely Low Income (ELI) housing	2.5 By 2027, develop communication guidelines in collaboration with developers, service providers, property management companies, City and County departments, unhoused residents and housed neighbors to ensure successful integration of new interim and supportive housing developments into the community.	New work effort.	Community Development – Housing & Community Services Division	This new work effort will be assigned to the new Housing & Community Services Management Analyst.
	2.6 Explore amendments to the City's housing-related policies to facilitate more affordable housing development.  • By 2031, implement programs in the Housing Element workplan (Chapter 13.2) related to zoning, general plan text amendments, updating the affordable housing ordinance, and more.	See March 25, 2025 City Council meeting agenda for the Housing Element Annual Progress Report.	Community Development – Planning Division	This work will be performed with a combination of existing and future staff and consultant capacity.
Strategy Area 3: Conduct proactive street outreach to engage people who are unsheltered and connect them to resources	3.3 Coordinate efforts with service providers and other partners to ensure that services provided to unhoused individuals remain consistent and uninterrupted during the 2026 Major Events	As the City plans for the 2026 Major Events, staff will work in coordination with service providers and other partners to mitigate service disruptions and other impacts.	City Manager's Office	This new work effort will be completed with existing staff.
Strategy Area 5: Reduce the impacts of unsheltered homelessness throughout the community	5.6 Develop a targeted plan to engage and house the highest utilizers of County and City resources, which includes:	Staff plans to work with the street outreach team to complete this new work effort. There will also be coordination with the Library	Community     Development     Housing &     Community     Services	This new work effort will be assigned to the new Housing & Community

Strategy Area	Work Items	Status	Department	Resource Needs
	Working with the street outreach and case management team to engage people with lived experience (including currently unsheltered community members) in planning, identify and assess participants to determine resources needed, and develop housing and support goals and plan in partnership with participants.	and Parks and Recreation teams.	Division (Lead Department) Library Parks and Recreation	Serviced Management Analyst.
	5.7 Implement City protocols for noticing and disposing of refuse and other items left after encampments are closed.	Staff follows the protocol for noticing and disposing of refuse and other items left after encampments are closed, as outlined under Santa Clara City Council Sections 9.30.030 and 9.30.040 and the procedures incorporated in the Tucker Construction agreement.	<ul> <li>Police         Department         (Co-Lead         Department)</li> <li>Public Works         (Co-Lead         Department)</li> </ul>	Completing with existing staff and allocated and resources.
Strategy Area 6: Foster productive community conversation about the causes, needs, and experience of homelessness to foster support and volunteerism.	<ul> <li>6.1 (a) Engage people with lived experience of homelessness to inform decision-making about funding, housing development, and to support community education efforts.</li> <li>By 2026, gather input and feedback from unhoused residents and people with lived experience of homelessness during resource fairs and through the street outreach and case management team.</li> </ul>	New work effort.	Community Development – Housing & Community Services Division	This new work effort will be assigned to the new Housing & Community Services Management Analyst.

Strategy Area	Work Items	Status	Department	Resource Needs
	6.2 Support the County's 2027 Point in Time Count in Santa Clara by coordinating volunteer recruitment, organizing donation efforts, and assisting with activities on the day of the count, as needed.	New work effort. The 2025 Point in Time Count included a survey approach, which provide an opportunity for members of the public to engage with people who have lived experience and to learn about the causes of homelessness and barriers to exiting homelessness (tied to Work Item 6.3).	Community     Development     Housing &     Community     Services     Division     (Lead     Department)     City     Manager's     Office	This work effort will be assigned to the new Housing & Community Services Management Analyst.
	<ul> <li>6.3 (a) Provide opportunities for members of the public to engage with people who have lived experience and learn about the causes of homelessness, the impact of high housing costs, barriers to exiting homelessness, what is needed to effectively respond to homelessness, and how different stakeholders can help and get involved.</li> <li>Work with the County and nonprofit agencies like Destination: Home to share educational materials and information.</li> </ul>	New work effort.	Community Development – Housing & Community Services Division	This can be completed with existing resources.
	6.3 (b) Provide opportunities for members of the public to engage with people who have lived experience and learn about the causes of homelessness, the impact of high housing costs, barriers to exiting homelessness, what is needed to effectively respond to homelessness, and	The City will support the County's 2027 Point in Time Count, which will provide this type of opportunity for engagement.	Community     Development     Housing &     Community     Services     Division	This will be assigned to the new Housing & Community Services Management Analyst.

Strategy Area	Work Items	Status	Department	Resource Needs
	how different stakeholders can help and get involved.  Use existing public meetings and forums focused on housing or homelessness to raise awareness of the experience of and contributing factors to homelessness in the City, such as the 2027 Point in Time Count.	Santa Clara Library has drop	• Community	Existing work
	and local service providers to coordinate information sharing and connections with business, faith-based groups, and other community organizations interested in fundraising or volunteering.	in tabling resources like TRUST come to their Central Park and Mission Branch locations once a month for additional support and lists of resources for supportive connections. Staff also meets regularly with North County representatives to share updates and learn about best practices. The City's homelessness resources webpage is in the progress of being updated to help community members better navigate available resources.	Development  - Housing & Community Services (Lead Department)  Library  City Manager's Office	efforts can be completed with existing staff. New work efforts will be assigned to the new Housing & Community Services Management Analyst.

Pending / Resource-Contingent Work Items (7 Items)

Strategy Area	Work Items	Status	Department	Resource Needs
Strategy Area 2: Increase availability of short-term shelter, permanent supportive housing, and Extremely Low Income (ELI) housing	2.7 By 2031, work towards the Housing Element goal of permitting 1,436 extremely low and 1,436 very low income units.	The Housing Element Annual Progress Report that was presented to Council on March 25, 2025 reflected 0 extremely low-income and 20 very low- income units that have been permitted.	Community Development – Housing & Community Services Division	These types of development require a deeper subsidy, usually in the form of loans and several sources of grants. The City, County, and State have limited resources and without a County or regional bond, many projects are stuck. A state affordable housing bond (AB 736) is under consideration in 2025, which the City provided a letter of support for.
	2.8 Seek partnerships with housing developers and government agencies to leverage new state and regional funding for interim housing, permanent supportive housing, and ELI housing.	New work effort.	Community Development – Housing & Community Services	The City, County, and State have limited resources and without a County or regional bond, there is limited work that can be done.

Strategy Area	Work Items	Status	Department	Resource Needs
Strategy Area 3: Conduct proactive street outreach to engage people who are unsheltered and connect them to resources	3.4 Explore opportunities to support peer outreach that trains and employs people with lived experience of homelessness to provide street outreach and system navigation services.	New work effort.	Community Development – Housing & Community Services Division	Additional staffing resources are required to implement this new work effort.
Strategy Area 4: Address basic needs of people living outside, including health, and hygiene	<ul> <li>4.3 (a) Establish safe and welcoming places for people living in unsheltered situations to access. These locations should be places where people can find day-time respite from inclement weather, rest indoors, access restrooms, use computers, Wi-Fi, and phones, charge devices, and access services.</li> <li>Establish standards for access to basic needs and services including but not limited to water and charging stations to incorporate in such places.</li> </ul>	The City's libraries provide a safe and welcoming place for all community members, including people living in unsheltered situations. All library locations provide respite from inclement weather, restrooms, Wi-Fi and technology, and various classes and services. The City also activates day-time heating and cooling centers accessible to all community members during inclement weather events, as necessary and appropriate. Based on staffing capacity, staff will work on researching and establishing a set of standards, which may include additional resources.	City Manager's Office (Lead Department) Community Development Housing & Community Services Division Library Parks and Recreation	Existing staff will try to accomplish this work effort, however, additional staffing resources may be required to implement this new work effort depending on workload capacity.

Strategy Area	Work Items	Status	Department	Resource Needs
	<ul> <li>4.3 (b) Establish safe and welcoming places for people living in unsheltered situations to access. These locations should be places where people can find day-time respite from inclement weather, rest indoors, access restrooms, use computers, Wi-Fi, and phones, charge devices, and access services.</li> <li>Establish a navigation center with volunteers and/or paid staff who can engage with, provide information, and connect people with services as needed.</li> </ul>	Santa Clara Library has drop in tabling resources like TRUST come to their Central Park and Mission Branch locations once a month for additional support and lists of resources for supportive connections. Organizing a navigation center or having a dedicated person present on a regular basis (full or part-time) will require new resources, either through a service provider or a new City position (which requires a new job classification).	City Manager's Office (Lead Department) Community Development Housing & Community Services Division Library	Additional resources are required to implement this new work effort. At a minimum, the annual cost of a part-time position through a service provider is estimated at \$40,000. This amount does not include any staff time it will take to scope out this work and procure this service.
	4.4 Explore what it would take to install and maintain storage options for people experiencing sheltered and unsheltered homelessness and to enable safe storage of personal items.	Staff has completed some preliminary research on this topic but this work effort requires additional due diligence.	Community Development Housing & Community Services Division (Co-Lead Department) City Manager's Office (Co-Lead Department) Police	Additional staffing resources are required to implement this work effort.
Strategy Area 6: Foster productive community conversation about the	6.1 (b) Engage people with lived experience of homelessness to inform decision-making about	New work effort.	Community Development – Housing &	This new work effort may be assigned to the

Strategy Area	Work Items	Status	Department	Resource Needs
causes, needs, and experience of homelessness to foster support and volunteerism.	funding, housing development, and to support community education efforts.  • By 2027, coordinate with the Lived Experience Advisory Board-SV to obtain input about funding decisions and community engagement efforts.		Community Services Division	new Housing & Community Services Management Analyst, depending on workload capacity.



## City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

## Agenda Report

25-754 Agenda Date: 7/8/2025

## REPORT TO COUNCIL

## **SUBJECT**

Proclamation of July 2025 as Parks and Recreation Month

## BACKGROUND

The National Recreation and Park Association (NRPA) has been celebrating Park and Recreation Month in July since 1985, promoting building strong, vibrant, and resilient communities through the power of parks and recreation, and recognizing the more than 160,000 full-time park and recreation professionals, along with hundreds of thousands of part-time and seasonal workers and volunteers, who maintain our country's local, state, and community parks.

Each July, the City of Santa Clara celebrates park and recreation professionals and how they improve the lives of tens of millions of people, making a lasting impact in communities across the country. Park and recreation programs are essential to community health and well-being and help cultivate lifelong friendships, memories, and family bonds that people hold dear decades later.

## DISCUSSION

The Santa Clara Parks & Recreation Department is responsible for the design, development, operations, and maintenance of over 350 acres of regional, community, neighborhood and mini parks, open space, community centers, recreation and aquatics facilities, joint use facilities and athletic fields.

Parks and recreation is integral to communities throughout the country promoting the physical, social, emotional and cognitive health and wellness of the community. These programs, services, events, and facilities enrich the lives of Santa Clara residents. Furthermore, visitors may contribute to the community's economic prosperity through expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction.

Proclaiming July as Park and Recreation Month is an opportunity for the City Council to officially acknowledge the importance of parks and recreation and the benefits it provides to the people we serve. NRPA's 2025 theme, "Build Together, Play Together," reinforces several initiatives the Parks & Recreation Department is leading to develop and maintain sustainable parks and green spaces for current and future generations.

Residents are encouraged to celebrate Parks and Recreation Month by:

- Participating in the Parks Master Plan survey
- Providing input on the new 4.2-acre community park at the southern end of the Santa Clara Park development near the San Tomas Aquino Creek Trail

25-754 Agenda Date: 7/8/2025

 Sharing your Garden Harvest at the Second Sunday Garden Share on July 13 at Eddie Souza Park & Garden

- Grabbing some friends and tickets to see Roberta Jones Junior Theaters rendition of Disney's Alice in Wonderland Jr. July 15-17
- Joining us for Sunset Cinema on July 18 with The Wild Robot in Central Park
- Dancing the night away at a Summer Concert in Central Park on July 11 (SONA) or July 25 (Orquesta Borinquen)
- Enjoying music and activities at To the Bridge Music Hour on July 26 at Magical Bridge Playground
- Registering for a high-quality program from art to yoga
- Cooling off at Recreation Swim at Warburton Pool or Mary Gomez Swim Center
- Picnicking in your local park or visit our newest park Gateway Crossings on the 1200 block of Coleman Avenue

## **ENVIRONMENTAL REVIEW**

This is an information report only and no action is being taken by the City Council and no environmental review under the California Environmental Quality Act ("CEQA") is required.

## FISCAL IMPACT

There is no fiscal impact to the city other than staff time.

## COORDINATION

This report was coordinated between the City Attorney's Office and Parks & Recreation Department.

## PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

Prepared by: Carolyn McDowell, Senior Management Analyst

Reviewed by: Damon Sparacino, Parks & Recreation Department Director

Reviewed by: Elizabeth Klotz, Assistant City Manager

Approved by: Jovan D. Grogan, City Manager

## ATTACHMENT

1. Parks and Recreation Month Proclamation

WH	IEREAS,	parks and recreation is an integral part of communities promoting health and wellness, improving the physical and mental health of people who live near parks; and			
WH	IEREAS,	parks and recreation encourages physical activities by providing space for popular sports, hiking trails, swimming pools and many other activities designed to promote active lifestyles; and			
WH	IEREAS,	parks and recreation is a leading provider of healthy meals, nutrition services and education activities; and			
WH	IEREAS,	sports and environmental education, are critical to childhood development enhancing self-esteem and positive self-image; and			
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parks and recreation increases a community's economic prosperity through increased property values, expansion of the local tax base, WHEREAS, increased tourism, the attraction and retention of businesses, and crime reduction; and

our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to WHEREAS, connect with nature and recreate outdoors.

NOW, THEREFORE, I, LISA M. GILLMOR, by virtue of the authority vested in me as Mayor, and on behalf of the City of Santa Clara, do hereby proclaim July 2025, as

## **Parks and Recreation Month**

Given under my hand and the Seal of the City of Santa Clara, California, this 8th day of July 2025.

LISA M. GILLMOR MAYOR, CITY OF SANTA CLARA

ALBERT GONZALEZ COUNCILMEMBER, DISTRICT 1

**KEVIN PARK COUNCILMEMBER, DISTRICT 4** 

RAJ CHAHAL **COUNCILMEMBER, DISTRICT 2** 

SUDS JAIN **COUNCILMEMBER, DISTRICT 5**  COUNCILMEMBER, DISTRICT 3

**COUNCILMEMBER, DISTRICT 6** 



## City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

## Agenda Report

25-783 Agenda Date: 7/8/2025

## REPORT TO COUNCIL

## SUBJECT

Action on the June 3, 2025 Special City Council Meeting Minutes, June 10, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, and June 16, 2025 Special City Council Meeting Minutes

## RECOMMENDATION

Approve the June 3, 2025 Special City Council Meeting Minutes, June 10, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, and June 16, 2025 Special City Council Meeting Minutes.





## **City of Santa Clara**

## **Meeting Minutes**

## Call and Notice of Special Meeting of the

**City Council** 

06/03/2025 5:30 PM

Hybrid Meeting City Hall Council Chambers/Virtual 1500 Warburton Avenue Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
  - o https://santaclaraca.zoom.us/j/99706759306

Meeting ID: 997-0675-9306 o Phone 1(669) 900-6833

## **How to Submit Written Public Comment Before City Council Meeting:**

- Use the eComment tab located on the City Council Agenda page
   (<a href="https://santaclara.legistar.com/Calendar.aspx">https://santaclara.legistar.com/Calendar.aspx</a>). eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
- 2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <a href="https://santaclara.legistar.com/Calendar.aspx">https://santaclara.legistar.com/Calendar.aspx</a>

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the Mayor calls for a Special Meeting of the City Council of the City of Santa Clara, to commence and convene on June 3, 2025, at 5:30 pm to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

### 5:30 PM SPECIAL COUNCIL MEETING

**Call to Order in the Council Chambers** 

Mayor Gillmor called the meeting to order at 5:40 PM.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

**Councilmember Hardy** recited the Statement of Values

**Roll Call** 

**Assistant City Clerk Pimentel** recited the AB23 announcement and Statement of Behavioral Standards.

**Present:** 6 - Councilmember Albert Gonzalez, Councilmember Raj Chahal, Councilmember Karen Hardy, Councilmember Kevin Park, Vice

Mayor Kelly Cox, and Mayor Lisa M. Gillmor

Absent: 1 - Councilmember Suds Jain

A motion was made by Councilmember Park, seconded by Councilmember Hardy, to excuse Councilmember Jain from tonight's meeting.

**Aye:** 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

### **INTERVIEWS**

Action to Conduct Applicant Interviews and Appoint Five Applicants to the Senior Advisory Commission to Serve Three Partial Terms Ending June 30, 2026, One Partial Term Ending June 30, 2027, and One Partial Term Ending June 30, 2028

**Recommendation:** Appoint Five Applicants to the Senior Advisory Commission, three to Serve Three Partial Terms each Ending June 30, 2026, one to serve One Partial Term Ending June 30, 2027, and one to serve One Partial Term Ending June 30, 2028

> Assistant City Clerk provided a verbal report on the interview and appointment process.

**Council** conducted in-person and virtual interviews to appoint five Commissioners to the Senior Advisory Commission to serve three partial terms ending June 30, 2026, one partial term ending June 30, 2027, and one partial term ending June 30, 2028.

A motion was made by Councilmember Chahal, seconded by Councilmember Hardy, to (1) appoint Alma Soto to the Senior Advisory Commission to serve a partial term ending June 30, 2028, (2) appoint Rick Andrews to the Senior Advisory Commission to serve a partial term ending June 30, 2027; (3) appoint Kris Kishor Kapadia to the Senior Advisory Commission to serve a partial term ending June 30, 2026; and (4) appoint Rebecca J. Selden to the Senior Advisory Commission to serve a partial term ending June 30, 2026.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

Action to Conduct Applicant Interviews and Appoint Two Applicants to the Bicycle and Pedestrian Advisory Committee to Serve One Partial Term Ending June 30, 2027, and One Full Term Ending June 30, 2029

- Recommendation: 1. Appoint two Applicants to the Bicycle and Pedestrian Advisory Committee, one to Serve One Partial Term Ending June 30, 2027, and one to Serve One Full Term Ending June 30, 2029; and
  - 2. Establish an Eligibility List for Six Months should a Vacancy Occur

Assistant City Clerk Pimentel noted that Perry Penvenne submitted a letter of resignation from the Bicycle & Pedestrian Advisory Committee.

A motion was made by Councilmember Hardy, seconded by Concilmember Chahal, to (1) accept the resignation of Perry Penvenne and declare the immediate vacancy on the Bicycle & Pedestrian Advisory Committee and (2) add the vacancy to the list of terms to be appointed at tonight's meeting.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

**Council** conducted in-person and virtual interviews to appoint three Committee Members to the Bicycle and Pedestrian Advisory Committee to serve one partial term ending June 30, 2027, one partial term ending June 30, 2028, and one full term ending June 30, 2029

A motion was made by Councilmember Chahal, seconded by Councilmember Hardy, to (1) appoint Vernon Shure to the Bicycle & Pedestrian Advisory Committee to serve a partial term ending June 30, 2027, (2) appoint Jonathan Marinaro to the Bicycle & Pedestrian Advisory Committee to serve a partial term ending June 30, 2028; (3) appoint Jorge Haro to the Bicycle & Pedestrian Advisory Committee to serve a full term ending June 30, 2029; and (4) establish an eligibility list with Ram lyengar for an automatic appointment should a vacancy occur within the next six months.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

Action to Conduct Applicant Interviews and Appoint Two Applicants to the Cultural Commission to Serve One Partial Term Ending June 30, 2028. and One Full Term Ending June 30, 2029

- **Recommendation:** 1. Appoint two Applicants to the Cultural Commission, one to Serve One Partial Term Ending June 30, 2028, and one to Serve One Full Term Ending June 30, 2029; and
  - 2. Establish an Eligibility List for Six Months should a Vacancy Occur

**Council** conducted in-person and virtual interviews to appoint two Commissioners to the Cultural Commission to serve one partial term ending June 30, 2028, and one full term ending June 30, 2029.

Mayor Gillmor called for a recess at 7:53 PM and reconvened the meeting at 8:05 PM.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez to (1) appoint Kuku Das to the Cultural Commission to serve a partial term ending June 30, 2028, (2) appoint Charles Pontious to the Cultural Commission to serve a full term ending June 30, 2029; (3) establish an eligibility list with Esther Rubin for an automatic appointment should a vacancy occur within the next six months.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

## **ADJOURNMENT**

The meeting was adjourned at 8:43 PM.

A motion was made by Councilmember Chahal, seconded by Councilmember Hardy, to adjourn the meeting.

Ave: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Absent: 1 - Councilmember Jain

The next regular scheduled meeting is on Tuesday, June 10, 2025 in the City Hall Council Chambers.

### **MEETING DISCLOSURES**

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

STREAMING SERVICES: As always, the public may view the meetings on SantaClaraCA.gov, Santa Clara City Television (Comcast cable channel 15 or AT&T U-verse channel 99), or the livestream on the City's YouTube channel or Facebook page.

Note: The public cannot participate in the meeting through these livestreaming methods; livestreaming capabilities may be disrupted at times, viewers may always view and participate in meetings in-person and via Zoom as noted on the agenda.

AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov> or at the public information desk at any City of Santa Clara public library

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



## **City of Santa Clara**

## **Meeting Minutes of the**



## Joint City Council and Authorities Concurrent &

5:30 PM

Santa Clara Stadium Authority Board

Hybrid Meeting
City Hall Council Chambers/Virtual
1500 Warburton Avenue
Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

· Via Zoom:

06/10/2025

o <a href="https://santaclaraca.zoom.us/j/99706759306">https://santaclaraca.zoom.us/j/99706759306</a>

Meeting ID: 997-0675-9306 o Phone 1(669) 900-6833

### **How to Submit Written Public Comment Before City Council Meeting:**

- Use the eComment tab located on the City Council Agenda page
   https://santaclara.legistar.com/Calendar.aspx). eComments are directly sent to the iLegislate
   application used by City Council and staff, and become part of the public record. eComment closes
   15 minutes before the start of a meeting.
- 2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at https://santaclara.legistar.com/Calendar.aspx

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

## Closed Session - 5:30 PM | Regular Meeting - 7:00 PM

## 5:30 PM CLOSED SESSION

25-729 Ecomments

Call to Order in the Council Chambers

Mayor Gillmor called the Closed Session to order at 5:35 PM.

**Confirmation of Quorum** 

Deputy City Clerk Nguyen confirmed a quorum.

1. 25-556 Public Employee Performance Evaluation (CC)

Pursuant to Government Code § 54957(b)(1)

Title: City Attorney

**Public Comment** 

None.

Convene to Closed Session (Council Conference Room)

Mayor Gillmor adjourned into Closed Session at 5:37 PM.

## 7:00 PM JOINT CITY COUNCIL/STADIUM AUTHORITY BOARD MEETING

**Call to Order in the Council Chambers** 

Mayor/Chair Gillmor called the regular meeting to order at 7:10 PM.

Pledge of Allegiance and Statement of Values

**Council/Board** recited the Pledge of Allegiance.

Council/Boardmember Hardy recited the Statement of Values

### **Roll Call**

Deputy City Clerk Nguyen recited the AB23 announcement and Statement of Behavioral Standards.

**Deputy City Clerk Nguyen** also noted that any registered Lobbyist speaking during the Public Meeting will need to identify themselves and whom they represent.

Mayor/Chair Gillmor requested a moment of silence in remembrance of Craig Connelly (Coach, Santa Clara Lions Pop Warner Football Club).

Present: 7 - Council/Boardmember Albert Gonzalez, Council/Boardmember Raj Chahal. Council/Boardmember Karen Hardv. Council/Boardmember Kevin Park, Council/Boardmember Suds Jain, Vice Mayor/Chair Kelly Cox, and Mayor/Chair Lisa M. Gillmor

## REPORTS OF ACTION TAKEN IN CLOSED SESSION MATTERS

Mayor Gillmor reported that there was no reportable action from Closed Session.

### CONTINUANCES/EXCEPTIONS/RECONSIDERATIONS

None.

## **SPECIAL ORDER OF BUSINESS**

2.A Proclamation of June 2025 as Pride Month in the City of Santa Clara 25-316

> Mayor Gillmor, on behalf of the Council, proclaimed June 2025 as Pride Month.

Sera Fernando (Manager, County of Santa Clara Office of LGBTQ **Affairs**) accepted the proclamation and provided some remarks.

2.B 25-450 Proclamation of June 19, 2025 as Juneteenth in the City of Santa Clara

> Mayor Gillmor, on behalf of the Council, proclaimed June 19, 2025 as Juneteenth.

> Winston Ashby (Director, PARTI Program) accepted the proclamation and provided some remarks.

Council comments followed.

### **CONSENT CALENDAR**

Vice Mayor/Chair Cox noted that she will recuse herself from Item 3.G regarding Action to Establish a Silicon Valley Power Scholarship - Silicon Valley Power Sustainable Futures (SVPSF) Post-baccalaureate Fellowship and to Delegate Authority to the City Manager to Negotiate a Final Grant Agreement with Santa Clara University due to a conflict of interest with her employment at Santa Clara University.

A motion was made by Council/Boardmember Gonzalez, seconded by Council/Boardmember Chahal, to approve the Consent Calendar (except Item 3.G).

Aye: 7 - Council/Boardmember Albert Gonzalez, Council/Boardmember Raj Chahal, Council/Boardmember Karen Hardy, Council/Boardmember Kevin Park, Council/Boardmember Suds Jain, Vice Mayor/Chair Kelly Cox, and Mayor/Chair Lisa M. Gillmor

25-699 3.A

Action on the May 13, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, May 20, 2025 Joint Special Meeting of the City Council & Planning Commission Meeting Minutes, May 27, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, May 29, 2025 Special City Council Meeting Minutes, and May 29, 2025 Special City Council and Santa Clara Stadium Authority Board Meeting Minutes.

Recommendation: Approve the May 13, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, May 20, 2025 Joint Special Meeting of the City Council & Planning Commission Meeting Minutes, May 27, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, May 29, 2025 Special City Council Meeting Minutes, and May 29, 2025 Special City Council and Santa Clara Stadium Authority Board Meeting Minutes.

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to approve the May 13, 2025 Joint City **Council and Authorities Concurrent & Santa Clara Stadium** Authority Board Meeting Minutes, May 20, 2025 Joint Special **Meeting of the City Council & Planning Commission Meeting** Minutes, May 27, 2025 Joint City Council and Authorities Concurrent & Santa Clara Stadium Authority Board Meeting Minutes, May 29, 2025 Special City Council Meeting Minutes, and May 29, 2025 Special City Council and Santa Clara Stadium Authority Board Meeting Minutes.

Ave: 7 - Council/Boardmember Albert Gonzalez, Council/Boardmember Raj Chahal, Council/Boardmember Karen Hardy, Council/Boardmember Kevin Park, Council/Boardmember Suds Jain, Vice Mayor/Chair Kelly Cox, and Mayor/Chair Lisa M. Gillmor

3.B Board, Commissions and Committee Minutes 25-11

**Recommendation:** Note and file the Minutes of the Governance and Ethics Committee Special Meeting - May 1, 2025

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to note and file the Minutes of the Governance and Ethics Committee Special Meeting - May 1, 2025

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.C 25-568 Action on City Bills and Claims Report for the period April 12, 2025 - May 9. 2025

**Recommendation:** Approve the list of Bills and Claims for April 12, 2025 - May 9, 2025.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to approve the list of Bills and Claims for April 12, 2025 - May 9, 2025.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.D <u>25-387</u> Action on Amendments to Agreement with JPMorgan Chase Bank for Banking Services to the City

- **Recommendation:** 1. Approve and authorize the City Manager to execute Amendment No. 1 to the General Banking Services Agreement with JPMorgan Chase Bank, N.A. to add Digital Bill Payment services on the terms and in substantially the form presented, in a final form approved by the City Attorney; and
  - 2. Authorize the City Manager to exercise one additional five-year option to extend the term of the Agreement through December 15, 2035.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to (1) approve and authorize the City Manager to execute Amendment No. 1 to the General Banking Services Agreement with JPMorgan Chase Bank, N.A. to add Digital Bill Payment services on the terms and in substantially the form presented, in a final form approved by the City Attorney; and (2) authorize the City Manager to exercise one additional five-year option to extend the term of the Agreement through December 15, 2035.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.E 25-612 Approve a Resolution with Revisions to the Personnel & Salary Resolution to Update Sections related to Sick Leave and Military Leave to Reflect and Clarify Current City Practices.

**Recommendation:** Approve a Resolution in the form presented with revisions to the Personnel & Salary Resolution to update and revise the sections related to Sick Leave and Military Leave to reflect and clarify current City practices.

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to adopt Resolution No. 25-9448 in the form presented with revisions to the Personnel & Salary Resolution to update and revise the sections related to Sick Leave and Military Leave to reflect and clarify current City practices.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.F 25-330 Action on a Resolution Adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the Homestead Substation Rebuild Project

Recommendation: Adopt a Resolution adopting the Mitigated Negative Declaration and the Mitigation, Monitoring and Reporting Program for the Homestead Substation Rebuild Project.

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to adopt Resolution No. 25-9449 adopting the Mitigated Negative Declaration and the Mitigation, Monitoring and Reporting Program for the Homestead Substation Rebuild Project.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.G 25-636 Action to Establish a Silicon Valley Power Scholarship - Silicon Valley Power Sustainable Futures (SVPSF) Post-baccalaureate Fellowship and to Delegate Authority to the City Manager to Negotiate a Final Grant Agreement with Santa Clara University

- **Recommendation:** 1. Authorize the City Manager to execute the Santa Clara University Grant Agreement to establish the Silicon Valley Power Sustainable Futures Post-baccalaureate Fellowship with a City of Santa Clara funding obligation of \$138,720 over two years, in substantially the form presented, and a final form approved by the City Attorney.
  - 2. Authorize the City Manager to (a) extend the Grant Agreement for an additional two years with a City of Santa Clara funding obligation of an additional \$138,720 with a 4% adjustment as set forth in the agreement; and (b) take any actions as necessary to implement and administer the Grant Agreement.

Vice Mayor Cox recused herself from this item due to a conflict of interest with her employment at Santa Clara University.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to (1) authorize the City Manager to execute the Santa Clara University Grant Agreement to establish the Silicon Valley Power Sustainable Futures Post-baccalaureate Fellowship with a City of Santa Clara funding obligation of \$138,720 over two years, in substantially the form presented, and a final form approved by the City Attorney; and (2) authorize the City Manager to (a) extend the Grant Agreement for an additional two years with a City of Santa Clara funding obligation of an additional \$138,720 with a 4% adjustment as set forth in the agreement; and (b) take any actions as necessary to implement and administer the Grant Agreement.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, and Mayor Gillmor

Recused: 1 - Vice Mayor Cox

3.H 25-81 Action to Authorize the City Manager to Issue Purchase Orders and Negotiate and Execute an Agreement for Services with ZOM Inc., (Doing Business as Eagle Security Service) to Provide As-Needed Services of Physical Access Control Systems for Silicon Valley Power

- **Recommendation:** 1. Authorize the City Manager or designee to issue purchase orders to and negotiate and execute an agreement with ZOM Inc., doing business as Eagle Security Service (Agreement), to provide as-needed Physical Access Control Systems (PACS) services or other services for Silicon Valley Power for a term starting on June 1, 2025, and ending on May 31, 2029, with a maximum compensation of \$1,000,000, to be funded by the Electric Utility Fund, subject to the review and approval as to form by the City Attorney; and
  - 2. Authorize the City Manager or designee to take any actions as necessary to implement and administer the Agreement, and to negotiate and execute amendments to the Agreement to: (a) add or delete services consistent with the scope of services, (b) adjust future rates based on market conditions, (c) extend the term by up to five additional years through May 31, 2034, (d) make de minimis changes, and (e) increase the maximum compensation by up to \$1,000,000 for a total maximum compensation of \$2,000,000 over the nine-year term, subject to the appropriation of funds and review and approval as to form by the City Attorney.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to (1) authorize the City Manager or designee to issue purchase orders to and negotiate and execute an agreement with ZOM Inc., doing business as Eagle Security Service (Agreement), to provide as-needed Physical Access Control Systems (PACS) services or other services for Silicon Valley Power for a term starting on June 1, 2025, and ending on May 31, 2029, with a maximum compensation of \$1,000,000, to be funded by the Electric Utility Fund, subject to the review and approval as to form by the City Attorney; and (2) authorize the City Manager or designee to take any actions as necessary to implement and administer the Agreement, and to negotiate and execute amendments to the Agreement to: (a) add or delete services consistent with the scope of services, (b) adjust future rates based on market conditions, (c) extend the term by up to five additional years through May 31, 2034, (d) make de minimis changes, and (e) increase the maximum compensation by up to \$1,000,000 for a total maximum compensation of \$2,000,000 over the nine-year term, subject to the appropriation of funds and review and approval as to form by the City Attorney.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.1 25-521 Action to Authorize the City Manager to Negotiate and Execute Agreements and Purchase Orders with CMMS Data Group, Inc. (CDG) for MVP Plan Computerized Maintenance Management Software Related to Silicon Valley Power Operations

- Recommendation: 1. Authorize the City Manager or designee to issue purchase orders and to negotiate and executed agreements or amendments with CMMS Data Group, Inc. for MVP Plant Computerized Maintenance Management Software (CMMS) and associated services for a maximum compensation of \$900,000 for the period between January 1, 2020, through December 31, 2031, subject to the appropriation of funds and review and approval as to form by the City Attorney; and
  - 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the purchase orders or agreements, including negotiating and executing amendment(s) to (a) add or delete services associated with the services, (b) adjust future rates based on market conditions, and (c) make de minimis changes, subject to budget appropriations and review and approval as to form by the City Attorney.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to (1) authorize the City Manager or designee to issue purchase orders and to negotiate and execute agreements or amendments with CMMS Data Group, Inc. for MVP Plant Computerized Maintenance Management Software (CMMS) and associated services for a maximum compensation of \$900,000 for the period between January 1, 2020, through December 31, 2031, subject to the appropriation of funds and review and approval as to form by the City Attorney; and (2) authorize the City Manager or designee to take any actions necessary to implement and administer the purchase orders or agreements, including negotiating and executing amendment(s) to (a) add or delete services associated with the services, (b) adjust future rates based on market conditions, and (c) make de minimis changes, subject to budget appropriations and review and approval as to form by the City Attorney.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

**3.J** 25-638 Action on Amendment No. 1 to the Agreement with Sedgwick Claims Management Services, Inc., for Third Party Administrator (TPA) Services in Support of the City's Self-Insured Workers' Compensation Program

**Recommendation:** Authorize the City Manager or designee to negotiate and execute Amendment No. 1 to the agreement with Sedgwick Claims Management Services, Inc. for third-party administration services supporting the City's Self-Insured Workers' Compensation Program to extend the term by three years through June 30, 2028 and increase the maximum compensation by \$1,289,078 for a revised total not-to-exceed compensation amount of \$3,143,657, subject to the appropriation of funds and review and approval as to form by the City Attorney.

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to authorize the City Manager or designee to negotiate and execute Amendment No. 1 to the agreement with Sedgwick Claims Management Services, Inc. for third-party administration services supporting the City's Self-Insured Workers' Compensation Program to extend the term by three years through June 30, 2028 and increase the maximum compensation by \$1,289,078 for a revised total not-to-exceed compensation amount of \$3,143,657, subject to the appropriation of funds and review and approval as to form by the City Attorney.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

3.K 25-650 Action to Waive Second Reading and Adopt Ordinance No. 2077, the Second Zoning Code "Cleanup" Ordinance Updating the City's Wireless Facilities Regulations for Consistency With Federal Law; Updating the Density Bonus Provisions to Incorporate Recent Changes to the Government Code; Revising Reasonable Accommodation Requirements to Implement the Housing Element; and Making Other Minor Changes

Recommendation: Waive Second Reading and Adopt Ordinance No. 2077, the Second Zoning Code "Cleanup" Ordinance

> A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to waive second reading and adopt Ordinance No. 2077, the Second Zoning Code "Cleanup" Ordinance

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

### Santa Clara Stadium Authority Board Consent Calendar

**4.** 25-578 Action on Stadium Authority Bills and Claims for the Month of April 2025

**Recommendation:** Approve the list of Stadium Authority Bills and Claims for April 2025.

A motion was made by Boardmember Gonzalez, seconded by Boardmember Chahal, to approve the list of Stadium Authority Bills and Claims for April 2025.

Aye: 7 - Boardmember Gonzalez, Boardmember Chahal, Boardmember Hardy, Boardmember Park, Boardmember Jain, Vice Chair Cox, and Chair Gillmor

## **PUBLIC PRESENTATIONS**

Susan Hinton spoke regarding plastic pollution.

**Howard Gibbins** spoke regarding upcoming events in the City of Santa Clara and a past event celebrating **former Councilmember Debi Davis**.

**Linda** requested a street sign near Monroe Street and Lawrence Expressway.

25-728 Post Meeting Material

## **CONSENT ITEMS PULLED FOR DISCUSSION**

None.

## **PUBLIC HEARING/GENERAL BUSINESS**

Public Hearing: Action on Resolutions Approving Water, Sewer and Recycled Water Amended Rates to be Effective July 1, 2025

**Recommendation:** Alternative 1: Conduct a public hearing, tabulate protest votes, and if less than a majority protest is tabulated, Adopt the Proposed Resolutions Establishing the Water Rate Schedule 2025-01, Recycled Water Rate Schedule 2025-02 and Sewer Rate Schedule S-25, with Increases in Rates as Indicated in the Schedules

Mayor Gillmor opened Public Hearing.

City Manager Grogan made some opening remarks and introduced Adil Aly and Director of Water and Sewer Utilities Welling who provided a Powerpoint presentation on Water, Sewer, and Recycles Water Amended Rates.

Council questions followed.

Director of Water and Sewer Utilities Welling and Tom Francis (Water Resources Manager, Bay Area Water Supply & Conservation Agency) addressed Council questions

**Deputy Clerk Nguyen** noted that the City Clerk's Office received 13 written protests for water rate increase and 14 written protests for sewer rate increase which is not a majority of the identified parcel owners subject to the fee; therefore, the protest did not constitute a majority protest under Proposition 218.

Council discussion followed.

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to close the Public Hearing.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

A motion was made by Councilmember Hardy, seconded by Councilmember Gonzalez, to adopt (1) Resolution No. 25-9450 establishing the Water Rate Schedule 2025-01, and Recycled Water Rate Schedule 2025-02; and (2) Resolution No. 25-9451 establishing the Sewer Rate Schedule S-25, with increases in rates as indicated in the schedules.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

Nav: 1 - Councilmember Park

**Mayor Gillmor**, on behalf of the **Council**, took this opportunity to present a commendation to **Director of Water and Sewer Utilities Welling** for his service to the City of Santa Clara.

**Director of Water and Sewer Utilities Welling** accepted the commendation and provided some remarks.

6. 25-642 Report on City Vacancies and Recruitment Efforts, Pursuant to Assembly Bill (AB) 2561

**Recommendation:** Note and File the Report on City Vacancies and Recruitment Efforts, Pursuant to Assembly Bill (AB) 2561

**City Manager Grogan** made some opening remarks and introduced **Deputy Director of Human Resources Lancaster** who provided a Powerpoint presentation on vacancies and recruitment.

**Council** questions followed.

City Manager Grogan and Deputy Director of Human Resources Lancaster addressed Council questions.

Public Comment: Jeevan Valath
Leslie Loretto
Jeremy Schmidt

Council discussion followed.

A motion was made by Councilmember Hardy, seconded by Councilmember Jain, to note and file the Report on City Vacancies and Recruitment Efforts, pursuant to Assembly Bill (AB) 2561.

**Aye:** 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

Public Hearing: Action on the Adoption of the Proposed FY 2025/26 & FY 2026/27 Biennial Operating Budget and FY 2025/26 Capital Improvement **Program Changes** 

- Recommendation: 1. Approve the Proposed FY 2025/26 and FY 2026/27 Biennial Operating Budget and FY 2025/26 Capital Budget changes, including the recommended revisions detailed in Attachment 3:
  - 2. Approve the Appropriation Schedule for operating funds totaling \$1,724,952,360 in FY 2025/26 and \$1,557,721,778 in FY 2026/27 and the FY 2025/26 Appropriation Schedule for capital funds totaling \$777,527,724 as detailed in Attachment 4;
  - 3. Approve the Housing Authority FY 2025/26 expenditure budget of \$459,878 and FY 2026/27 expenditure budget of \$471,936 as presented in the Operating Budget;
  - 4. Approve the Sports and Open Space Authority FY 2025/26 expenditure budget of \$11,404 and FY 2026/27 expenditure budget of \$11,612 as presented in the Operating Budget; and
  - 5. Direct staff to bring forward recommended revisions to the Capital Projects Reserve funding target included the City's Budget and Fiscal Policies informed by results of the Fiscal Sustainability Plan.

Mayor Gillmor opened the Public Hearing.

City Manager Grogan made some opening remarks and introduced Director of Finance Lee who provided a Powerpoint presentation on Adoption of the Proposed Biennial Operating Budget and Capital Improvement Program Changes.

**Council** questions followed.

City Manager Grogan and Director of Finance Lee addressed Council questions.

Public Comment: Edward Strine

Council discussion followed.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to close the Public Hearing.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

A motion was made by Councilmember Chahal, seconded by Councilmember Hardy, to (1) approve the Proposed FY 2025/26 and FY 2026/27 Biennial Operating Budget and FY 2025/26 Capital Budget changes; (2) approve the Appropriation Schedule for operating funds totaling \$1,724,952,360 in FY 2025/26 and \$1,557,721,778 in FY 2026/27 and the FY 2025/26 Appropriation Schedule for capital funds totaling \$777,527,724; (3) approve the Housing Authority FY 2025/26 expenditure budget of \$459,878 and FY 2026/27 expenditure budget of \$471,936 as presented in the Operating Budget; (4) approve the Sports and Open Space Authority FY 2025/26 expenditure budget of \$11,404 and FY 2026/27 expenditure budget of \$11,612 as presented in the Operating Budget; and (5) direct staff to bring forward recommended revisions to the Capital Projects Reserve funding target included the City's Budget and Fiscal Policies informed by results of the Fiscal Sustainability Plan.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

8. 25-538 Action Establishing the City's Fiscal Year 2025/26 Appropriations Limit of \$697,292,626 Pursuant to Article XIIIB of the California State Constitution

**Recommendation:** Adopt a Resolution Establishing the City's Fiscal Year 2025/26 Appropriations Limit of \$697,292,626 Pursuant to Article XIIIB of the California State Constitution.

Mayor Gillmor opened the Public Hearing.

City Manager Grogan made some opening remarks and introduced **Director of Finance Lee** who provided a Powerpoint presentation on Adoption of the Proposed Biennial Operating Budget and Capital Improvement Program Changes.

Council questions followed.

City Manager Grogan and Director of Finance Lee addressed Council questions.

Public Comment: Edward Strine

Council discussion followed.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to close the Public Hearing.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to adopt Resolution No. 25-9452 establishing the City's FY 2025/26 Appropriations Limit of \$697,292,626 Pursuant to Article XIIIB of the California State Constitution.

Aye: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

9. 25-111 Public Hearing: Action on a Resolution Approving the Levy of Benefit
Assessment upon the City of Santa Clara Parking Maintenance District No.
122 - Franklin Square

**Recommendation:** Adopt a Resolution approving the levy of benefit assessment upon the City of Santa Clara Parking Maintenance District No. 122 and approving, confirming, and adopting the Director's Report for FY 2025/26.

**Mayor Gillmor** recused herself from this item due to a conflict of interest as her office is within the subject area.

Vice Mayor Cox opened the Public Hearing.

**City Manager Grogan** made some opening remarks and introduced **Director of Public Works Mobeck** who provided a verbal presentation on the Levy of Benefit Assessment upon the City of Santa Clara Parking Maintenance District No. 122 - Franklin Square.

Council questions followed.

**Director of Public Works Mobeck** addressed **Council** questions.

A motion was made by Councilmember Jain, seconded by Councilmember Gonzalez, to close the Public Hearing.

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, and Vice Mayor Cox

Recused: 1 - Mayor Gillmor

A motion was made by Councilmember Jain, seconded by Councilmember Hardy, to adopt Resolution No. 25-9453 approving the levy of benefit assessment upon the City of Santa Clara Parking Maintenance District No. 122 and approving, confirming, and adopting the Director's Report for FY 2025/26 and reserving the right to dissolve the Maintenance District at any time.

Ave: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, and Vice Mayor Cox

Recused: 1 - Mayor Gillmor

Vice Mayor/Chair Cox called for a recess at 11:03 PM and Mayor/Chair Gillmor reconvened the meeting at 11:42 PM.

10. 25-112 Public Hearing: Action on a Resolution Approving the Levy of Benefit Assessment Upon Maintenance District No. 183 - Santa Clara **Convention Center Complex** 

- **Recommendation:** 1. Declare that all the ballots sent to property owners within Maintenance District No. 183 have been received and counted and that a majority of property owners have approved the proposed levy of benefit assessment in accordance with Proposition 218; and
  - 2. Adopt a resolution approving the levy of benefit assessment upon the Santa Clara Convention Center Complex - Maintenance District No. 183, and approving, confirming, and adopting the Director's Report for FY 2025/26.

Mayor Gillmor opened Public Hearing.

City Manager Grogan made some opening remarks and introduced **Director of Public Works Mobeck** who provided a verbal presentation on the Levy of Benefit Assessment Upon Maintenance District No. 183 - Santa Clara Convention Center Complex.

Council questions followed.

**Director of Public Works Mobeck** addressed **Council** questions.

A motion was made by Councilmember Gonzalez, seconded by Councilmember Chahal, to close the Public Hearing.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

A motion was made by Councilmember Park, seconded by Councilmember Chahal, to (1) declare that all the ballots sent to property owners within Maintenance District No. 183 have been received and counted and that a majority of property owners have approved the proposed levy of benefit assessment in accordance with Proposition 218; and (2) adopt Resolution No. 25-9454 approving the levy of benefit assessment upon the Santa Clara Convention Center Complex - Maintenance District No. 183, and approving, confirming, and adopting the Director's Report for FY 2025/26.

Ave: 7 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Councilmember Jain, Vice Mayor Cox, and Mayor Gillmor

11. 25-401 Resolution Authorizing an Ad Valorem Tax Levy Based on a Debt Service Estimate to be Provided to Santa Clara County Respecting Unsold General Obligation Bonds for Fiscal Year 2025/26

Recommendation: Adopt the Resolution Authorizing an Ad Valorem Tax Levy Based on a Debt Service Estimate to be Provided to Santa Clara County Respecting Unsold General Obligation Bonds for Fiscal Year 2025/26.

> Mayor Gillmor requested that this item be continued to the next available meeting.

A motion was made by Councilmember Chahal, seconded by Councilmember Hardy, to continue this item to the June 24, 2025 City Council and Authorities Concurrent & Santa Clara Stadium **Authority Board Meeting.** 

Aye: 6 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Park, Vice Mayor Cox, and Mayor Gillmor

Nay: 1 - Councilmember Jain

#### REPORTS OF MEMBERS, SPECIAL COMMITTEES AND COUNCILMEMBER 030 REQUESTS

Councilmember Jain noted that he visited Dallas Area Rapid Transit last week

**Vice Mayor Cox** announced the Cities Association annual picnic is tomorrow.

#### **CITY MANAGER/EXECUTIVE DIRECTOR REPORT**

None.

#### **ADJOURNMENT**

The meeting was adjourned in memory of Craig Connelly (Coach, Santa Clara Lions Pop Warner Football Club), Mildred McClintock (Resident), and Dane Mechlin (Chef) at 12:06 AM.

A motion was made by Council/Boardmember Park, seconded by Council/Boardmember Gonzalez, to adjourn the meeting.

Aye: 7 - Council/Boardmember Albert Gonzalez, Council/Boardmember Raj Chahal, Council/Boardmember Karen Hardy, Council/Boardmember Kevin Park, Council/Boardmember Suds Jain, Vice Mayor/Chair Kelly Cox, and Mayor/Chair Lisa M. Gillmor

The next special meeting is on Monday, June 16, 2025 in the City Hall Council Chambers.

#### MEETING DISCLOSURES

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AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

Note: The City Council and its associated Authorities meet as separate agencies but in a concurrent manner. Actions taken should be considered actions of only the identified policy body.

LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

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In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

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## City of Santa Clara

#### **Meeting Minutes**

# Call and Notice of Special Meeting of the

City Council

06/16/2025 5:30 PM

Hybrid Meeting City Hall Council Chambers/Virtual 1500 Warburton Avenue Santa Clara, CA 95050

The City of Santa Clara is conducting City Council meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

- Via Zoom:
  - o https://santaclaraca.zoom.us/j/99706759306

Meeting ID: 997-0675-9306 o Phone 1(669) 900-6833

#### **How to Submit Written Public Comment Before City Council Meeting:**

- Use the eComment tab located on the City Council Agenda page (<a href="https://santaclara.legistar.com/Calendar.aspx">https://santaclara.legistar.com/Calendar.aspx</a>). eComments are directly sent to the iLegislate application used by City Council and staff, and become part of the public record. eComment closes 15 minutes before the start of a meeting.
- 2. By email to clerk@santaclaraca.gov by 12 p.m. the day of the meeting. Those emails will be forwarded to the Council and will be uploaded to the City Council Agenda as supplemental meeting material. Emails received after the 12 p.m. cutoff time up through the end of the meeting will form part of the meeting record. Please identify the Agenda Item Number in the subject line of your email. NOTE: Please note eComments and Emails received as public comment will not be read aloud during the meeting.

Agendas, Staff Reports and some associated documents for City Council items may be viewed on the Internet at <a href="https://santaclara.legistar.com/Calendar.aspx">https://santaclara.legistar.com/Calendar.aspx</a>

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk at Santa Clara City Hall, 1500 Warburton Avenue, Santa Clara, CA 95050 at the same time that the public records are distributed or made available to the legislative body. Any draft contracts, ordinances and resolutions posted on the Internet site or distributed in advance of the Council meeting may not be the final documents approved by the City Council. For the final document, you may contact the Office of the City Clerk at (408) 615-2220 or Clerk@santaclaraca.gov.

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of California Government Code §54956 ("The Brown Act") and Section 708 of the Santa Clara City Charter, the Mayor calls for a Special Meeting of the City Council of the City of Santa Clara, to commence and convene on June 16, 2025, at 5:30 pm to be held virtually and in the City Hall Council Chambers located in the East Wing of City Hall at 1500 Warburton Avenue, Santa Clara, California, to consider the following matter(s) and to potentially take action with respect to them.

#### 5:30 PM SPECIAL COUNCIL MEETING

**Call to Order in the Council Chambers** 

Mayor Gillmor called the meeting to order at 5:34 PM.

Pledge of Allegiance and Statement of Values

Council recited the Pledge of Allegiance.

**Councilmember Hardy** recited the Statement of Values.

**Roll Call** 

**Assistant City Clerk Pimentel** recited the AB23 announcement and Statement of Behavioral Standards.

**Present:** 5 - Councilmember Albert Gonzalez, Councilmember Raj Chahal, Councilmember Karen Hardy, Councilmember Suds Jain, and Mayor Lisa M. Gillmor

Absent: 2 - Councilmember Kevin Park, and Vice Mayor Kelly Cox

#### **INTERVIEWS**

1. 25-686 Action to Conduct Applicant Interviews and Appoint One Applicant to the Historical and Landmarks Commission to Serve One Full Term Ending June 30, 2029

- **Recommendation:** 1. Appoint one Applicant to the Historical and Landmarks Commission to Serve One Full Term Ending June 30, 2029; and
  - 2. Establish an Eligibility List for Six Months should a Vacancy Occur

Assistant City Clerk Pimentel provided a verbal report on the interview and appointment process.

**Council** conducted in-person interviews to appoint one Commissioner to the Historical and Landmarks Commission to serve one full term ending June 30, 2029.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to appoint Kaushal Varshney to the Historical and Landmarks Commission to serve a full term ending June 30, 2029.

Aye: 4 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Jain, and Mayor Gillmor

Nay: 1 - Councilmember Hardy

Absent: 2 - Councilmember Park, and Vice Mayor Cox

2. 25-726 Action to Conduct Applicant Interviews and Appoint One Applicant to the Parks and Recreation Commission to Serve One Full Term Ending June 30, 2029

- Recommendation: 1. Appoint one Applicant to the Parks and Recreation Commission to Serve One Full Term Ending June 30, 2029; and
  - 2. Establish an Eligibility List for Six Months should a Vacancy Occur

**Council** conducted in-person interviews to appoint one Commissioner to the Parks and Recreation Commission to serve one full term ending June 30, 2029.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to (1) appoint Edward A. Souza to the Parks and Recreation Commission to serve a full term ending June 30, 2029; and (2) establish an eligibility list with Monique Hovery-Coate for an automatic appointment should a vacancy occur within the next six months.

Aye: 5 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Jain, and Mayor Gillmor

**Absent:** 2 - Councilmember Park, and Vice Mayor Cox

#### **ADJOURNMENT**

The meeting was adjourned at 6:37 PM.

A motion was made by Councilmember Chahal, seconded by Councilmember Gonzalez, to adjourn the meeting.

**Aye:** 5 - Councilmember Gonzalez, Councilmember Chahal, Councilmember Hardy, Councilmember Jain, and Mayor Gillmor

Absent: 2 - Councilmember Park, and Vice Mayor Cox

The next special meeting is on Tuesday, June 17, 2025 in the City Hall Council Chambers.

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AB23 ANNOUNCEMENT: Members of the Santa Clara Stadium Authority, Sports and Open Space Authority and Housing Authority are entitled to receive \$30 for each attended meeting.

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LEGEND: City Council (CC); Stadium Authority (SA); Sports and Open Space Authority (SOSA); Housing Authority (HA); Successor Agency to the City of Santa Clara Redevelopment Agency (SARDA); Bayshore North Project Enhancement Authority (BNPEA); Public Facilities Financing Corporation (PFFC)

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# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

### Agenda Report

25-13 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### **SUBJECT**

Board, Commissions and Committee Minutes

#### COUNCIL PILLAR

**Enhance Community Engagement and Transparency** 

#### RECOMMENDATION

Note and file the Minutes of:

- 1. Bicycle & Pedestrian Advisory Committee March 24, 2025
- 2. Board of Library Trustees May 5, 2025



# **City of Santa Clara**

### **Meeting Minutes**

## **Bicycle & Pedestrian Advisory Committee**

03/24/2025 4:00 PM

Hybrid Meeting City Hall Council Chambers 1500 Warburton Avenue Santa Clara, CA 95051

The City of Santa Clara is conducting the Bicycle and Pedestrian Committee meetings in a hybrid manner (in-person and continues to have methods for the public to participate remotely).

Via Zoom:

https://santaclaraca.zoom.us/j/83368467068

Meeting ID: 833 6846 7068 or

Phone: 1 (669) 900-6833

#### 1 CALL TO ORDER AND ROLL CALL

Chair Hardy called the meeting to order at 4:01 PM.

**Member Penvenne** arrived at 4:24 PM.

Present 6 - Chair Karen Hardy, Member Perry Penvenne, Member Betsy Megas,

Member Bruce Donoghue, Member Ken Kratz, and Member Guillermo

Jenaro

Excused 2 - Member Sukrit Ganesh, and Member Hung Duong

Absent 1 - Vice Chair Sudhanshu Jain

A motion was made by Member Megas and seconded by Member Kratz to excuse Member Duong and Member Ganesh. The motion carried by the following votes.

Aye: 5 - Chair Hardy, Member Megas, Member Donoghue, Member Kratz, and

Member Jenaro

Excused: 2 - Member Ganesh, and Member Duong

Absent: 2 - Vice Chair Jain, and Member Penvenne

#### **2 PUBLIC PRESENTATIONS**

Video: [00:05:00]

**Diane Harrison** requested to move up the agenda item of Bike To Shop Day and suggested the Committee listen to ideas from Santa Clara high school students regarding their recent email addressed to BPAC about improving pedestrian safety around the high school.

**Member Kratz** suggested the **Committee** consider creating a future agenda item and a subcommittee related to this matter.

#### **3 CONSENT CALENDAR**

A. <u>25-225</u> Bicycle and Pedestrian Advisory Committee Meeting Minutes of January

27, 2025 (Chair Hardy)

**<u>Recommendation:</u>** Approve the Bicycle and Pedestrian Advisory Committee Meeting Minutes

of January 27, 2025.

Video: [00:06:30]

**Member Kratz** made an amendment to the draft meeting minutes: change "Senior Center" to "station organizer" in "Announcement".

A motion was made by Member Kratz and seconded by Member Jenaro to Approve the Consent Calendar as amended. The motion carried by the following votes.

Aye: 5 - Chair Hardy, Member Megas, Member Donoghue, Member Kratz, and

Member Jenaro

Excused: 2 - Member Ganesh, and Member Duong

Absent: 2 - Vice Chair Jain, and Member Penvenne

#### **4 REPORTS FOR COMMITTEE INFORMATION**

A. <u>25-230</u> Police Verbal Update (Wilson)

This agenda item was not discussed at the meeting due to Officer Wilson not being present.

#### **5 REPORTS OF SPECIAL COMMITTEES**

25-231 A. Subcommittee on Police Collision History (Donoghue, Kratz, Penvenne,

Granvold)

Subcommittee commented that they would like to make

recommendations to the Vision Zero project.

#### **6 ACTION ITEMS / GENERAL BUSINESS**

Fiscal Year 2025-26 BPAC Work Plan Approval (Liw) A. <u>25-243</u>

**Recommendation:** Review and approve staff's recommended Fiscal Year 2025-26 Work Plan

and discuss the BPAC's Accomplishments and Priorities.

Video: [00:04:15]

Public Works Assistant Director Liw presented an overview of the

Fiscal Year 2025-26 BPAC Work Plan.

Committee comments and questions followed.

**Assistant Director Liw** addressed **Committee** questions.

**Public Speaker: Diane Harrison** 

A motion was made by Member Jenaro and seconded by Member Megas to approve staff's recommended Fiscal Year 2025-26 Work

Plan. The motion carried by the following votes.

Aye: 6 - Chair Hardy, Member Penvenne, Member Megas, Member

Donoghue, Member Kratz, and Member Jenaro

Excused: 2 - Member Ganesh, and Member Duong

Absent: 1 - Vice Chair Jain

Assistant Director Liw presented ideas of BPAC's accomplishments and priorities and shared next steps to follow up with Committee for the

upcoming meeting with City Council.

Committee comments followed.

Public Speaker: Gabby Landaveri.

B. 25-257 2026 Annual Paving Project - List of Streets (Shariat)

**Recommendation:** Approve the staff recommended bicycle facilities for the 2026 Annual

Maintenance and Rehabilitation Project.

Video: [01:02:00]

**Principal Transportation Planner Shariat** presented the list of streets and proposed bicycle improvements in the 2026 Annual Paving Project.

Committee comments followed.

Public Speaker: Joel Reeve

A motion was made by Member Kratz and seconded by Member Penvenne to Approve Staff Recommendation. The motion carried by the following votes.

Aye: 6 - Chair Hardy, Member Penvenne, Member Megas, Member

Donoghue, Member Kratz, and Member Jenaro

Excused: 2 - Member Ganesh, and Member Duong

Absent: 1 - Vice Chair Jain

#### **7 REPORTS FOR COMMITTEE INFORMATION (CONTINUED)**

A. 25-232 Santa Clara Vision Zero: Collision Profiles, Countermeasure Toolbox,

Actions and Strategies (He)

Video: [01:45:00]

questions.

Associate Engineer He and Mr. Paderna from Kimley-Horn

Associates provided an update on Vision Zero Plan.

**Committee** comments and questions followed regarding collision profiles and safety countermeasures.

Associate Engineer He and Mr. Paderna addressed Committee

Public Speakers: Tom Freitas, Diane Harrison.

B. 25-235 Public Works Verbal Update (Liw/Chan)

Video: [02:37:30]

**Transportation Manager Chan and Public Works Assistant Director** 

 $\mbox{\bf Liw}$  provided an update on recent activities at the Public Works

Department.

**Committee** comments and questions followed.

**Transportation Manager Chan** addressed **Committee** questions.

Public Speaker: Diane Harrison.

C. <u>25-233</u> Daylighting Law AB 413 (Chan)

Video: [02:59:00]

Transportation Manager Chan provided a report on Daylighting Law AB

413.

Committee comments and questions followed.

Transportation Manager Chan addressed Committee questions.

**D.** 25-234 City Lane Width Standard, Review & Implementation (Chan)

Video: [03:12:00]

Transportation Manager Chan provided a report on City's current

standards and practices related to traffic lane widths.

**Committee** comments and questions followed.

Transportation Manager Chan addressed Committee questions.

Public Speaker: Diane Harrison.

E. <u>25-238</u> Grant Activity Verbal Update (Shariat)

Video: [03:30:40]

**Principal Transportation Planner Shariat** provided an update on recent grant activities.

**Committee** comments and questions followed regarding the Silicon Valley Hopper program.

Public Works Assistant Director Liw addressed Committee questions.

Public Speaker: Diane Harrison.

Member Donoghue left the meeting at 8:37 PM.

**F.** 25-236 Valley Transportation Authority Bicycle and Pedestrian Advisory Committee Meetings Update (Megas)

Video: [03:38:00]

**Member Megas** provided an update on recent VTA Bicycle and Pedestrian Advisory Committee meetings.

**Committee** comments and questions followed.

**Member Megas** addressed **Committee** questions.

**G.** 25-237 Santa Clara Station Area Task Force Update (Ganesh)

This agenda item was not discussed at the meeting due to Member Ganesh not being present.

#### **8 REPORTS OF SPECIAL COMMITTEES (CONTINUED)**

A. 25-240 Subcommittee on Bicycle Story Maps (Megas and Penvenne)

The subcommittee had no update.

B. <u>25-241</u> Subcommittee on Bike to Shop Day (Megas, Kratz, and Harrison)

Video: [03:52:00]

**Diane Harrison** provided an update and asked Committee and staff to help publicize the Bike to Shop Day event.

C. <u>25-242</u> Subcommittee on Roundabouts (Megas, Ganesh, Kratz, and Harrison)

The subcommittee had no update.

#### 9 ANNOUNCEMENTS

Committee made several announcements about upcoming events:

- (1) District 6 group bike infrastructure ride on April 5;
- (2) Open house event at Santa Clara Caltrain station on April 5 and 6;
- (3) Viva Calle in City of San Jose on April 13;
- (4) Remind community members to pledge to ride in advance of Silicon Valley Bike Coalition Bike to Wherever Days;
- (5) El Camino Real bicycle ride on May 17; and
- (6) Bike to Shop Day on May 24.

#### **10 ADJOURNMENT**

The meeting was adjourned at 9:11 PM.

The next scheduled meeting will be on Monday, June 23, 2025 at 4:00 PM.

#### **MEETING DISCLOSURES**

The time limit within which to commence any lawsuit or legal challenge to any quasi-adjudicative decision made by the City is governed by Section 1094.6 of the Code of Civil Procedure, unless a shorter limitation period is specified by any other provision. Under Section 1094.6, any lawsuit or legal challenge to any quasi-adjudicative decision made by the City must be filed no later than the 90th day following the date on which such decision becomes final. Any lawsuit or legal challenge, which is not filed within that 90-day period, will be barred. If a person wishes to challenge the nature of the above section in court, they may be limited to raising only those issues they or someone else raised at the meeting described in this notice, or in written correspondence delivered to the City of Santa Clara, at or prior to the meeting. In addition, judicial challenge may be limited or barred where the interested party has not sought and exhausted all available administrative remedies.

If a member of the public submits a speaker card for any agenda items, their name will appear in the Minutes. If no speaker card is submitted, the Minutes will reflect "Public Speaker."

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Santa Clara will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. The City of Santa Clara will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in the City's programs, services, and activities. The City of Santa Clara will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by the City in an appropriate alternative format. Contact the City Clerk's Office at 1 408-615-2220 with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of the City of Santa Clara, should contact the City's ADA Coordinator at 408-615-3000 as soon as possible but no later than 48 hours before the scheduled event.



## **City of Santa Clara**

Board Approved

# Meeting Minutes Board of Library Trustees

05/05/2025 6:00 PM

Hybrid Meeting, Edinger Room Central Park Library 2635 Homestead Rd, Santa Clara, CA 95051

The City of Santa Clara is conducting the Board of Library Trustees meeting in a hybrid manner (inperson and continues to have methods for the public to participate remotely).

- Via Zoom:
- o https://santaclaraca-gov.zoom.us/j/85864257230

Meeting ID: 858 6425 7230 or

o Phone: 1(669) 900-6833

PUBLIC PARTICIPATION IN ZOOM WEBINAR: Please follow the guidelines below when participating in a Zoom Webinar:

- The meeting will be recorded so you must choose 'continue' to accept and stay in the meeting.
- If there is an option to change the phone number to your name when you enter the meeting, please do so as your name will be visible online and will be used to notify you that it is your turn to speak.
- Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
- Use the raise your hand feature in Zoom when you would like to speak on an item and lower when finished speaking. Press \*9 to raise your hand if you are calling in by phone only.
- Identify yourself by name before speaking on an item.
- Unmute when called on to speak and mute when done speaking. If there is background noise coming from a participant, they will be muted by the host. Press \*6 if you are participating by phone to unmute.
- If you no longer wish to stay in the meeting once your item has been heard, please exit the meeting.

#### **CALL TO ORDER AND ROLL CALL**

Chair Evans called the meeting to order at 6:02 PM.

**Present** 4 - Chair Jonathon Evans, Trustee Daniel Huynh, Vice-Chair Stephen Ricossa, and Trustee Debbie Tryforos

Absent 1 - Trustee G. Salim Mohammed

#### **CONSENT CALENDAR**

#### **CONSENT ITEMS PULLED FOR DISCUSSION**

1 25-466 Action on the Board of Library Trustees Meeting Minutes of April 7, 2025

Recommendation: Approve the Board of Library Trustees Meeting Minutes of April 7, 2025

Vice-Chair Ricossa pulled the minutes for discussion and noted that in item 3, in which a subcommittee was signed to draft a letter, the names of the members assigned to the subcommittee were not included. Trustees Huynh and Mohammed were assigned to the subcommittee and it was requested that the minutes be amended to include their names.

A motion was made by Trustee Tryforos, seconded by Trustee Ricossa, to approve the minutes as amended.

Aye: 4 - Chair Evans, Trustee Huynh, Vice-Chair Ricossa, and Trustee Tryforos

Absent: 1 - Trustee Mohammed

#### **PUBLIC PRESENTATIONS**

Trustee Mohammed arrived at 6:07 PM.

JoAnn Davis, Executive Director of the Santa Clara City Library Foundation and Friends, gave an update to the Board of upcoming Foundation activities. Patio sales will be held at Northside Branch Library on May 9 and 23, 2025. A Saturday sale will be held at Central Park Library on May 16 and 17, 2025. On May 10, 2025, the same day as the Bricks by the Book program, the Foundation will have a table at Mission Branch Library for the Relay for Life event from 3 PM to 6 PM. The Board were reminded that the Library will be closed on May 26, 2025 for Memorial Day. On May 28, 2025 there will be a Foundation fundraiser held in partnership with Red Robin in Rivermark Plaza, with 20 percent of food sale profits being donated to the Foundation. On May 31, 2025, the Foundation will host a Board of Directors retreat to engage in strategic planning. On June 2, 2025, at the time of the regular Board of Library Trustees meeting, the Board will host the Santa Clara City Library Foundation and Friends Board for a joint meeting. An update was provided on Librarypalooza, the annual Library fundraiser which raised over \$30,000 for the Library, about \$23,000 of which was net profit, an increase from the prior year. The Foundation also updated the Advocacy page on their website, lovethelibrary.org, to share information on how to advocate for the restoration of federal funding to the Institute for Museum and Library Services. It was shared that at the beginning of May 2025 nearly all the funding needed to support Summer Adventure has already been raised.

#### **GENERAL BUSINESS**

**2** 25-414

Action on Revised Library Rules of Conduct and Revised Policy for Children Visiting the Library

#### Recommendation:

- 1. Review and approve the following:
  - Revised Santa Clara City Library Rules of Conduct (Attachment 1-2); and
  - b. Revised Santa Clara City Library Policy for Children Visiting the Library (Attachment 3-4).

City Librarian Patty Wong informed the Board of revisions made to the Library Rules of Conduct, and to the Policy for Children Visiting the Library for their review and approval. Deputy City Attorney Luis Haro provided additional detail about the updates made, including that the prior Food and Drink Policy was incorporated into the Library Rules of Conduct. The Board discussed the contents of the updates to the policies, how they would apply in different scenarios, and requested the name of the Children Visiting the Library Policy be updated to Policy for Youth Visiting the Library, which City Librarian Wong concurred was a good change. JoAnn Davis shared information on the Foundation's policy regarding minor volunteers.

A motion was made by Trustee Mohammed, seconded by Trustee Huynh to approve the revised policies.

Aye: 5 - Chair Evans, Trustee Huynh, Trustee Mohammed, Vice-Chair Ricossa, and Trustee Tryforos

3 25-532 Discussion and Possible Action on Work Plan Presentation to Council

**Recommendation:** Review and discuss work plan presentation to Council.

City Librarian Wong shared that the same contents the Board previously approved for their Work Plan had been incorporated into a Council template for their review, and that she anticipates their meeting with Council to review the Work Plan may occur in July. She also shared that the proposed operating budget book was released and available online, and that it recommended a partial restoration of the collection budget, an additional \$145,000 in each of the next two years. She shared this reflected one-time funds, not an ongoing restoration of the collection budget, and less than the budget lost in the prior operating cycle, which is why the language in the Work Plan recommends advocacy for a complete restoration of the collection budget. The presentation was reviewed and some updates provided on status of several items, including that the Collection Development Policy which the Board had approved revisions to had already been approved and accepted by the California State Library. She shared that she would be reviewing a draft Strategic Plan with the City Manager, and anticipates in the future a possible joint study session with Council for both the Strategic Plan and Facilities Master Plan. The Board made a minor revision to the Work Plan.

A motion was made by Vice-Chair Ricossa, seconded by Trustee Huynh to approve the work plan as amended.

Aye: 5 Chair Evans, Trustee Huynh, Trustee Mohammed, Vice-Chair Ricossa, and Trustee Tryforos

25-508

Discussion and Possible Action on Conducting Outreach to Support the Library due to Federal Funding Cuts to Library Services and Potential Establishment of a Subcommittee to Implement Board's Actions

**Recommendation:** Discuss and take action to identify next steps in supporting and advocating for the Library in the community.

> City Librarian Wong provided an update to the Board on the state of recent federal funding cuts to library services. She shared that there was a court ordered injunction halting further dissolution of the Institute for Museum and Library Services (IMLS), resulting in one lawsuit, and that this impacts loss of staff rather than preserving funding for programs and for the state Information on the local direct impacts felt by the Library so far were the elimination of databases and some electronic resources, some of which are relied on by schools including the Santa Clara Unified School District. She shared that she would be meeting with them shortly to share this information, and that the Library was also exploring options for better pricing on these resources which will no longer be federally funded, in case a solution might be found to their elimination from the collection.

> The Board reviewed the draft letters written to congressional representatives by Trustee Huynh and Trustee Mohammed. Chair Evans agreed to sign them on behalf of the Board so they could be sent out the following day. City Librarian Wong indicated she would share these with the appropriate City staff as well, as Council had expressed interest in sending a letter to support federal library funding when they awarded the Proclamation of National Library Week on April 6, 2025. As the **Board** had approved the drafting and sending of this letter at the last **Board** meeting on April 7, 2025, no further action was taken.

5 25-519 Discussion and Action on Agenda Setting for Joint Meeting with Santa Clara City Library Foundation and Friends Board

**Recommendation:** Prepare an agenda for the discussion with the Santa Clara City Library Foundation and Friends Board at the June 2, 2025 regular Board of Library Trustees meeting.

> coordination from Vice-Chair Ricossa and Trustee Tryforos. the Foundation Board and Board of Library Trustees coordinated a date for a joint meeting, to take place during the next regular Board of Library Trustees meeting on June 2, 2025, to be held at Mission Branch Library. The proposed schedule was discussed and approved, with a planned Meet and Greet at 5:30 PM - 6:00 PM, a joint meeting to be held from 6:00 PM - 7:00 PM, and a regular Board meeting from 7:00 PM - 8:00 PM. The Board discussed possible agenda topics, and agreed that staff would review, prioritize and organize them, review these with Chair Evans to develop an agenda appropriate for a first initial joint meeting, and share the agenda with the Foundation Board. Through the Executive Director, JoAnn Davis, t was agreed that any items not discussed due to limited time could be captured as parking lot items for future scheduled meetings.

#### STAFF REPORT

The joint meeting with the **Board of the Santa Clara City Library Foundation** and **Friends** was discussed further, and the **Board** was in agreement that staff would coordinate with **Chair Evans** on the regular **Board** agenda items for the second half of the June 2, 2025 meeting. **Deputy City Attorney Luis Haro** provided an update on the situation with **Northside Branch Library** tile damage.

Trustee Mohammed anticipates a schedule conflict for the June 2, 2025 meeting and will be absent. Two Trustees are unavailable for the August 4, 2025 regular meeting, and the Board agreed to cancel this meeting and schedule a special meeting instead for August 18, 2025. Due to Chair Evans anticipating a schedule conflict for the October 6, 2025 regular meeting, Vice-Chair Ricossa will lead that meeting. The September 8, 2025 meeting will coincide with International Literacy Day, on which the Career Online High School (COHS) program led by Read Santa Clara will hold a small graduation ceremony. The Board agreed to recognize the graduates at approximately 6:00 PM. The Board were reminded of upcoming City Council Study Sessions for the new biennial Operating Budget, scheduled for May 13, 2025, and May 27, 2025. The public hearing for the adoption of the new FY 2025/26 and FY 2026/27 Operating Budget is scheduled for June 10, 2025. The Board also received a list of Library-related conferences for their information, for board development purposes.

#### TRUSTEES REPORT

The Board further discussed the agenda for the upcoming joint meeting with the Board of the Santa Clara City Library Foundation and Friends, concurring that the Library would organize the agenda topics, shorten them as appropriate, review with Chair Evans and then share with JoAnn Davis, Executive Director of the Santa Clara City Library Foundation and Friends, and Kathy Betts, President of the Executive Committee of the Board of the Santa Clara City Library Foundation and Friends.

The meeting was adjourned at 8:05 PM.

#### **ADJOURNMENT**

A motion was made by Trustee Huynh, seconded by Trustee Mohammed to adjourn the meeting.

**Aye:** 5 - Chair Evans, Trustee Huynh, Trustee Mohammed, Vice-Chair Ricossa, and Trustee Tryforos

The Board of Library Trustees Meeting is adjourned to June 2, 2025, at 6:00 PM.

The June meeting will take place at Mission Branch Library, Community Room, 1098 Lexington St., Santa Clara, CA 95050.



#### **MEETING DISCLOSURES**

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# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

### Agenda Report

25-69 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### SUBJECT

Actions on a Proposed Award of Contract for the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project to O'Grady Paving, Inc., Authorize the City Manager to Execute a Funding Agreement with Santa Clara Valley Transportation Authority for 2016 Measure B Funding, and Related Budget Amendments

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

The Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project (Project) consists of implementing bicycle lanes along Lafayette Street between Laurelwood Road and Reed Street, including pavement rehabilitation (Attachment 1). The scope of work includes repair and replacement of asphalt pavement; adjustment of utility valves and covers; construction of accessible concrete ramps in accordance with the requirements of the Americans with Disabilities Act (ADA); installation of traffic striping, markings, markers, and signs; traffic signal modifications; and other necessary work to complete the Project.

In 2016, Santa Clara County voters approved "Measure B," a 30-year half-cent county-wide sales tax to fund improvements for nine transportation related program categories including a pedestrian and bicycle category. The Santa Clara Valley Transportation Authority (VTA) administers these funds and in December 2019, issued a call for projects for bicycle/pedestrian capital projects. The City's application for the Lafayette Street Class IV Bikeway Project was awarded \$1,197,000 and is a high priority recommendation in the City's Bicycle Plan. On July 13, 2021, Council approved a grant funding agreement for \$200,000 with VTA for the design phase of the Project.

On August 22, 2023, Council was presented several options for implementing bicycle lanes along Lafayette Street between Laurelwood Road and Reed Street. Council selected the option that included the installation of protected bicycle lanes through this corridor. As part of this approval, Council authorized parking removal through a pilot program along Lafayette Street between Memorex Drive and Reed Street in order to implement the protected bikeway. This portion of the Project will be monitored for approximately one year after construction and staff will return to Council for a decision to either make the modifications permanent or to restore parking, remove the protected bicycle lanes and install a Class II (striped) bicycle lane on one side of the roadway and no bicycle lane (share the road) on the other side of the roadway. Additionally, due to the significant investment in bikeway infrastructure on Lafayette Street, staff coordinated the pavement maintenance and rehabilitation needs identified for Lafayette Street in the City's pavement program to be completed concurrently with the bikeway improvements.

On December 12, 2023, Council approved a design professional services agreement with BKF

25-69 Agenda Date: 7/8/2025

Engineers to develop the design and construction documents to implement the Project and based on the inclusion of pavement rehabilitation into the project scope updated the Project name to the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project.

#### DISCUSSION

On May 8, 2025, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, BidNet Direct. The RFB was viewed by various vendors, including contractors, suppliers, plan rooms, and builder exchanges, among others. Additional vendors were also able to view the RFB as members of various plan rooms and builder exchanges. Staff also reached out directly to contractors and vendors who had viewed similar projects in the past.

On May 29, 2025, the bid opening for the Project was held via video conference. Two bids were received ranging from \$4,087,445 to \$4,464,464. The Bid Summary is included as Attachment 2. The lowest bid, submitted by O'Grady Paving, Inc. (O'Grady) in the amount of \$4,087,445, is 21.9 percent below the Engineer's Estimate of \$5,233,300. O'Grady's bid was reviewed by staff and the City Attorney's Office for compliance with the terms and conditions of the bid documents and has been determined to be the lowest responsive and responsible bid. Staff recommends awarding the construction contract to O'Grady Paving, Inc. The contract includes prevailing wage requirements.

In order to receive the 2016 Measure B Bicycle/Pedestrian Capital Projects grant funds for the construction phase of the Project, VTA requires a separate funding agreement (Attachment 3). This agreement provides \$997,000 in 2016 Measure B funds towards construction costs.

#### **ENVIRONMENTAL REVIEW**

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15301(c), "Existing Facilities," as the activity consists of the repair, maintenance or minor alteration of existing facilities involving no or negligible expansion of the use beyond that presently existing, and specifically includes the repair of existing highways and streets.

#### FISCAL IMPACT

The approximate cost of the contract is \$4,087,445 plus a 10 percent contingency, or \$408,745, for any potential change orders for a total not-to-exceed contract amount of \$4,496,190.

The Project construction phase is recommended to be funded through a combination of 2016 Measure B grant funds and the reallocation of project funds from the Pedestrian and Bicycle Enhancement Facilities project and the Annual Street Maintenance and Rehabilitation Program project. The following budget amendment table includes actions to recognize the \$997,000 in 2016 Measure B grant funds, reallocate \$99,700 from the Pedestrian and Bicycle Enhancement Facilities project and reallocate \$3,250,000 from the Annual Street Maintenance and Rehabilitation Program project and appropriate these funds to the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project.

In addition, staff recommends transferring \$135,900 from the Buildings and Grounds project in the Water Utility Capital Fund and \$34,000 from the Sewer Utility Fund to the Lafayette Street Class IV Bikeway and Pavement Rehabilitation project for the portion of the project costs associated with those funds. This Project involves removing and replacing water valve boxes and adjusting sanitary

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sewer manhole covers.

	Budget Amendment FY 2025/26		
	Current	Increase/ (Decrease)	Revised
Streets and Highways Capital Fund Revenues		(Beeredee)	
2016 Measure B Grant	\$10,426,760	\$997,000	\$11,423,760
<u>Transfers From</u> Water Utility Capital Fund	\$0	\$135,900	\$135,900
Sewer Utility Fund	\$0	\$34,000	\$34,000
•	Ψ	ψο 1,000	ψο 1,000
Expenditures Annual Street Maintenance and Rehabilitation Program	\$28,280,021	(\$3,250,000)	\$25,030,021
Pedestrian and Bicycle Enhancement Facilities	\$676,062	(\$99,700)	\$576,362
Lafayette Street Class IV Bikeway and Pavement Rehabilitation	\$9,183	\$4,516,600	\$4,525,783
Water Utility Capital Fund			
<u>Transfers To</u> Streets and Highways Capital Fund	\$0	\$135,900	\$135,900
Expenditure Buildings and Grounds	\$5,620,608	(\$135,900)	\$5,484,708
Sewer Utility Fund <u>Transfers To</u> Streets and Highways Capital Fund	\$0	\$34,000	\$34,000
Fund Balance Unrestricted Ending Fund Balance	\$3,714,617	(\$34,000)	\$3,680,617

### **COORDINATION**

This report has been coordinated with the Finance Department, Water & Sewer Utilities Department, and the City Attorney's Office.

#### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website

25-69 Agenda Date: 7/8/2025

and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

- 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of California Code of Regulations;
- 2. Approve and authorize the City Manager to execute the funding agreement between the City of Santa Clara and Santa Clara Valley Transportation Authority, including minor modifications, amendments, and time extensions, if needed, in final forms approved by the City Attorney;
- 3. Award the Public Works Contract for the Lafayette Street Class IV Bikeway and Pavement Rehabilitation Project to O'Grady Paving, Inc., the lowest responsive and responsible bidder, in the amount of \$4,087,445 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
- 4. Authorize the City Manager to execute change orders up to approximately 10 percent of the original contract price, or \$408,745 for a total project budget not to exceed amount of \$4,496,190, in final forms approved by the City Attorney; and
- 5. Approve the following FY 2025/26 budget amendments:
  - a. In the Streets and Highways Capital Fund, recognize grant revenue of \$997,000 from Valley Transportation Authority, recognize transfers of \$135,900 from the Water Utility Capital Fund and \$34,000 from the Sewer Utility Fund, and increase Lafayette Street Class IV Bikeway and Pavement Rehabilitation project appropriation by \$1,166,900, (five affirmative Council votes required to appropriate additional revenue)
  - b. In the Streets and Highways Capital Fund, reduce the Pedestrian and Bicycle Enhancement Facilities project appropriation by \$99,700, reduce the Annual Street Maintenance and Rehabilitation Program project appropriation by \$3,250,000, and increase the appropriation in the Lafayette Street Class IV Bikeway project appropriation by \$3,349,700 (majority affirmative Council votes required) ;
  - c. In the Water Utility Capital Fund, establish a transfer to the Streets and Highways Capital Fund and reduce the Buildings and Grounds appropriation by \$135,900 (majority affirmative Council votes required); and
  - d. In the Sewer Utility Fund, establish a transfer to the Streets and Highways Capital Fund and reduce the unrestricted ending fund balance by \$34,000 (five affirmative Council votes required for the use of unused balances).

Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Jovan Grogan, City Manager

#### ATTACHMENTS

- 1. Project Location Map
- 2. Bid Summary
- 3. Agreement





# **Attachment 2 Bid Summary**

# LAFAYETTE STREET CLASS IV BIKEWAY AND PAVEMENT REHABILITATION PROJECT (CE 24-25-01)

BID SUMMARY	Bid Opening Date: May 29, 2025		
ENGINEER'S ESTIMATE:	\$ 5,233,300.00		
Contractor	Total Bid (\$)	Percentage above/below Engineer's Estimate	
O'Grady Paving, Inc	\$ 4,087,445.00	21.9% below	
DeSilva Gates Construction, LLC	\$ 4,464,464.00	14.7% below	

## FUNDING AGREEMENT BETWEEN CITY OF SANTA CLARA

#### AND

# SANTA CLARA VALLEY TRANSPORTATION AUTHORITY FOR

#### LAFAYETTE STREET CLASS IV BIKEWAY PROJECT - CONSTRUCTION PHASE

This Agreement ("Agreement") is between the City of Santa Clara ("City") and Santa Clara Valley Transportation Authority ("VTA") and is entered into as of the last date of signature below ("Effective Date"). City and VTA may be individually referred to as a "Party" or collectively referred to as the "Parties."

#### I. RECITALS

- **A.** Whereas, on June 24, 2016, the VTA Board of Directors adopted a resolution to place a ballot measure before Santa Clara County voters in November 2016 to authorize a one-half of one percent retail transaction and use tax for 30 years for nine transportation-related program categories ("2016 Measure B");
- B. Whereas, on November 8, 2016, Santa Clara County voters enacted 2016 Measure B;
- **C.** Whereas, on October 5, 2017, the VTA Board of Directors (i) established the 2016 Measure B Program ("Program"), which includes a Bicycle and Pedestrian program category to fund bicycle and pedestrian projects and educational programs ("Bike/Ped Category") and (ii) adopted the 2016 Measure B Bicycle & Pedestrian Program Guidelines ("Bike/Ped Guidelines"), attached as Exhibit A;
- **D.** Whereas, on December 3, 2019, VTA issued a Call-for-Projects for the FY 2020 FY 2030 2016 Measure B Bicycle & Pedestrian Capital Projects Competitive Grant Program;
- E. Whereas, on or about March 13, 2020, City submitted an application to VTA for the Lafayette Street Class IV Bikeway Project ("Project") in response to the Call-for-Projects for the FY 2020 FY 2030 2016 Measure B Bicycle & Pedestrian Capital Projects Competitive Grant Program ("Project Application");
- **F.** Whereas, on June 4, 2020, the VTA Board of Directors approved the 10-year priority project list for the 2016 Measure B Bicycle & Pedestrian Capital Projects Competitive Grant Program which included the Lafayette Street Class IV Bikeway Project as the second highest priority ranked project, and authorized the VTA General Manager to execute the necessary agreements for 2016 Measure B Bicycle & Pedestrian Capital Projects Competitive Grant Program funds;
- **G.** Whereas, on August 11, 2021, City and VTA executed a funding agreement for the final design phase for the Project;

- **H.** Whereas, City has completed the design phase for the Project up to a 65% design level of completions and desires to complete the design phase of the project and proceed to the construction phase of the project thereafter; and
- Whereas, VTA and City now desire to specify the terms and conditions under which VTA will administer Bike/Ped Category funds to City per the Bike/Ped Guidelines for the construction phase for the Project.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

#### II. AGREEMENT

#### A. Project Description.

The Lafayette Street Class IV Bikeway Project includes the construction of a Class IV separated bikeway on Lafayette Street from Laurelwood Road to Reed Street in the City of Santa Clara, California. The components of the Project include:

- New, removal, relocation, or modification of street signage associated with the bikeway, as needed, inclusive of any parking signage associated with changed parking regulations needed for construction of the new bikeway;
- ii. New, removal, replacement, or modification of pavement striping and markings, including:
  - a. Striping and markings for the Class IV bikeway inclusive of all edge lines, limit lines, guide lines, buffer zone markings, and symbols;
  - b. Colorized pavement marking treatments at bicycle/vehicle conflict zones;
  - c. Striping and markings for adjacent vehicular lanes where and as necessary due to changing lane configurations and widths to provide space for the bikeway;
  - d. Striping and marking of pedestrian street crossings;
  - e. Striping or curb markings associated with changed parking regulations needed for the construction of the new bikeway;
- iii. New physical bicycle/vehicle separators, such as delineators;
- iv. Modifications to Traffic Signals, including:
  - a. Implementation of bicycle detection at signalized intersections;
  - b. Installation or modification of pedestrian countdown heads per the Project's Complete Streets Checklist submitted by City with the Project Application;
- Removal, construction, or reconstruction of striped or concrete medians or islands as needed for changed lane configurations and widths or as needed for complete street operational or safety considerations;
- vi. Pavement rehabilitation within the horizontal limits of the new bike lanes including buffers within the Project limits, including ancillary or preparatory work such as patching potholes, asphalt resurfacing, or adjusting surface features and utilities;

vii. Improvements as required by the County of Santa Clara at the intersection of Lafayette Street and Central Expressways as a conditions of approval for permit(s) necessary for the portions of the Project traversing through County right-of-way;

#### B. Term of Agreement.

The term of this Agreement will commence on the Effective Date and continue through the earlier of: (i) December 31, 2027, (ii) completion of the Project, (iii) termination of the Project, or (v) termination of this Agreement pursuant to these terms and conditions.

#### C. Cost of Project.

**Total Project Construction Cost.** The total cumulative dollar amount actually incurred and expended toward the construction of the Project by City, as measured at the completion or termination of the Project ("Total Project Construction Cost") is expected to be as follows based on 95% design level of completion estimates:

Class IV Bikeway:	\$1,895,371 ("Total Project Construction
	Cost")

#### D. Financial Contribution to Cost of Project.

- 1. VTA's Financial Contribution to the Project. VTA will contribute Bike/Ped Category funds in an amount of up to 90% of the Total Project Construction Cost, not to exceed \$997,000, for City to use for completion of the Project. All funds will be available on a reimbursement basis for Eligible Costs (as defined in Paragraph F below) pursuant to this Agreement.
- 2. City's Financial Contribution to the Project. City is solely responsible for (i) all funds it has expended toward construction of the Project prior to the Effective Date; and (ii) all funds required to complete construction of the Project above VTA's Financial Contribution to the Project In all circumstances, City must contribute a minimum of 10% of the Total Project Construction Cost.
- 3. Project Savings. If the Project is completed under the Budgeted Project Cost, VTA's Financial Contribution to the Project will be reduced to an amount that is 90% of the actual Total Project Construction Cost, and City must contribute a minimum of 10% of the actual Total Project Construction Cost.

#### E. Reimbursement.

- 1. VTA will reimburse City in the amount of: (i) Eligible Costs, as defined in Paragraph F.1., submitted to VTA; or (ii) VTA's Financial Contribution to the Project, whichever is less. VTA will reimburse City based on receipt of invoices showing Eligible Costs incurred and paid for by City. VTA will not reimburse City for any costs that are not Eligible Costs.
- **2.** If this Agreement is terminated, as set forth in Paragraph Q, VTA will not be responsible for reimbursing any costs or expenses City incurs after the effective date of termination.

### F. Eligible Use of Funds.

- Eligible Costs. VTA will only reimburse City for actual costs directly related to performance of the Project. For purposes of this Agreement, "Eligible Costs" are as described below. No other expenses will be subject to reimbursement as Eligible Costs without the prior written approval of VTA.
  - a. **Construction Contract Costs.** Costs paid to construction contractor(s) by City under construction contracts procured by City for the Project, inclusive of all direct and indirect costs included in the construction contract including, but not limited to, the contractor's labor, materials, equipment, taxes, overhead and profit, and all other costs included in the contractor's pricing and paid to Contractor by City to construct the Project.
  - b. Construction Contract Compliance Costs. Costs paid to consultants or firms by City for providing technical oversight and compliance of the construction contractors compliance with the terms of the construction contract including but not limited to construction field inspection and observations costs, materials testing, construction testing, and laboratory costs.

#### c. Direct Labor Costs.

- d. Travel Expenses. Travel expenses (as described below), which must be authorized by VTA in writing prior to City, consultants, and/or contractors incurring them. VTA may deny reimbursement of any travel expense incurred by City, consultants, and/or contractors prior to VTA's written approval. If VTA approves travel, VTA will reimburse the following types of travel expenses related to performance of the Project at the following per-diem or lump sum rates:
  - i. Car Rental: \$50/day (including all gas and all associated fees);
  - **ii.** Flight: The rates set forth as GSA City Pairs Gov't "YCA" Fare (<a href="https://www.gsa.gov/plan-book/transportation-airfare-pov-etc/airfare-rates-city-pair-program">https://www.gsa.gov/plan-book/transportation-airfare-pov-etc/airfare-rates-city-pair-program</a>);

- **iii.** Food/Beverage and Hotel: The rates set forth as GSA per diem rates (<a href="https://www.gsa.gov/travel/plan-book/per-diem-rates">https://www.gsa.gov/travel/plan-book/per-diem-rates</a>); and
- iv. Mileage: The rates set forth as GSA mileage allowance (<a href="https://www.gsa.gov/plan-book/transportation-airfare-pov-etc/privately-owned-vehicle-pov-mileage-reimbursement">https://www.gsa.gov/plan-book/transportation-airfare-pov-etc/privately-owned-vehicle-pov-mileage-reimbursement</a>).
- e. **Other Direct Costs.** VTA will reimburse parking, tolls, deliveries, printing, plan reproduction, bid advertisement, blueprint services, any fees required for background checks from iproveit.com, and any other expenses directly associated with the Project at actual cost without markup. City must provide appropriate supporting documentation, including detailed receipts. If any of the other direct costs described in this paragraph will exceed \$500.00, City must receive VTA's written approval prior to incurring such expense. VTA may deny reimbursement of any such other direct cost expense incurred by City, prior to VTA's written approval.
- 2. Ineligible Costs. Specific "Ineligible Costs" include, but are not limited to, the following:
  - **a.** Expenses for organizational functions, businesses services, and information technology including, but not limited to telephone charges, computer costs, CAD machine charges, inhouse copying charges, and facsimile charges will not be reimbursed as other direct costs;
  - **b.** Rent and utilities;
  - c. Food or beverages (e.g. as part of meetings, workshops, training, or events); and
  - **d.** Alcohol, travel upgrades, fines, memberships, loss of personal property or cash, "no shows," or personal itinerary changes.
- 3. Should the eligibility of a cost be questioned, VTA will determine, in writing, the eligibility of a cost before the cost is incurred. In its performance under this Agreement, all Parties will strictly comply with all VTA 2016 Measure B Program requirements set forth in the Bike/Ped Guidelines.

### G. Invoicing to VTA.

- 1. City must submit invoices to vta.accountspayable@vta.org for reimbursement of work completed on the Project. Each invoice must include all records, including staff hours, contractors' invoices, miscellaneous invoices, force account charges, and any other documentation requested by VTA as substantiation for invoices submitted for reimbursement. Invoices may not be submitted more frequently than monthly and must be submitted within one year of City incurring the cost(s).
- 2. All invoices must detail:

- a. Eligible Costs actually incurred and paid by City;
- **b.** Total reimbursement amount (in dollars) requested;
- c. Total amount reimbursed by VTA to date; and
- **d.** Project tasks or milestones completed for which City incurred Eligible Costs during the relevant billing cycle.
- **3.** VTA will remit the amount due to City within 30 calendar days of receipt of a complete, fully documented invoice.

### H. Return of Funds.

If VTA learns that previously reimbursed costs were not Eligible Costs, City must return such funds no later than 15 business days from receipt of notice from VTA.

## I. City's Responsibilities.

- 1. Implementing Agency Tasks. City will be the sponsor and implementing agency for the Project. In its role as sponsor and implementing agency under this Agreement, City must perform the following tasks:
  - **a.** Providing or procuring professional services for the Project including, but not limited to, the following activities: advertising the work via a public solicitation, opening bids in response to the public solicitation, awarding a contract, approving contract documents, and administering the awarded contract in accordance with all applicable laws, regulations, and codes including, but not limited to, the California Public Contract Code and the California Labor Code;
  - **b.** Obtaining all necessary permits for performance of the Project, as applicable;
  - c. Performing community engagement activities for the Project as applicable;
  - d. Make staff available to present on the Project at VTA committees as needed; and
  - **e.** Conducting close-out activities for the Project including, but not limited to, performing final accounting review and reviewing compliance with all contractual requirements.
- 2. Other Project Management Duties. City must also perform the following duties:
  - a. Complete and submit to VTA the most current version of VTA's 2016 Measure B Complete Streets Checklist ("Complete Streets Checklist") for Project within five business days of the Effective Date;

- **b.** Complete and submit to VTA a project management plan ("PMP") for Project within 30 business days of the Effective Date the PMP must be in writing and must include information regarding staffing plan, cost, schedule, contracting plan, and risk assessment;
- **c.** Actively monitor actual Project expenditures to ensure that the 2016 Measure B funds are used to reimburse Eligible Costs only;
- **d.** Provide VTA with written semi-annual progress updates on the Project including, but not limited to, updates on Project expenditures, any changes in scope and schedule, community engagement outcome, and Project status in a format previously provided to City;
- **e.** Provide VTA copies of Project deliverables including, but not limited to, reports, designs, drawings, plans, specifications, schedules, and other materials; and

Submit the Project's final report to VTA, which must be in writing and must include information regarding final Project costs, along with any other information VTA may require ("Final Report"). City must submit the Final Report within 45 business days of receipt of the final report template.

#### J. VTA's Responsibilities.

- 1. VTA will perform and/or be responsible for the following tasks to perform oversight for Project:
  - **a.** Provide Comple Streets Checklist form to City and review competed checklist for Project to ensure Complete Streets compliance; and
  - **b.** Provide PMP form to City and review completed PMP for Project to provide oversight of the delivery of Project and to ensure Project complies with the Bike/Ped Guidelines.
- **2.** Pay the amount due to City within 30 calendar days of receipt of a complete, fully-documented invoice for Eligible Costs.

#### K. Indemnification.

Neither VTA nor any its officers or employees will be responsible for any damage or liability arising out of or relating to City's acts or omissions under or in connection with any work, authority, or jurisdiction associated with this Agreement. Pursuant to California Government Code §895.4, City must fully defend, indemnify, and save harmless VTA from all suits or actions of every name, kind, and description arising from an injury (as defined by California Government Code §810.8) relating to City's acts or omissions under or in connection with any work, authority, or jurisdiction delegated to City under this Agreement. This provision will survive the termination or expiration of this Agreement.

#### L. Insurance.

At all times during this Agreement, City must comply with the insurance requirements and specifications of the attached Exhibit B, Insurance Requirements. City may, in its discretion, elect to self-insure, but any such self-insurance must meet the requirements and specifications in Exhibit B.

### M. Additional Insured and Indemnity Provision.

In any agreement executed between the City and a third party for purposes related in any way to the subject matter of this Agreement ("Third Party Contract"), City must require that VTA be named as (i) an additional insured on a primary and non-contributory basis with separation of insureds and waiver of subrogation on all policies of insurance, except when not applicable and (ii) an indemnified party in any indemnity provision contained in the Third Party Contract. Third Party Contracts must contain insurance requirements with coverages at least as broad as, and limits at least as great as, the requirements of Exhibit B.

#### N. Public Works.

If City awards a contract to a third party for the performance of a public work, as defined in California Labor Code Sections 1720 through 1720.6 ("Public Works Contract"), in connection with this Agreement, City must comply, and must require such third party to comply, with the requirements of California Labor Code Sections 1720 et seq. If the Public Works Contract is funded in whole or in part with federal funds, City must also comply, and must require such third party to also comply, with the requirements of the Davis Bacon Act (40 U.S.C. Sections 3141-3144 and 3146-3148).

### O. Compliance with Applicable Law.

In the execution of the Project and performance of its responsibilities under this Agreement, City must comply with all applicable requirements of local, state, and federal laws.

## P. Compliance with 2016 Measure B Requirements.

In its performance under this Agreement, City must comply with, and must ensure Project compliance with, all 2016 Measure B requirements set forth in the Bike/Ped Guidelines.

#### Q. Termination

1. Either Party may at any time terminate this Agreement by giving 10 business days written notice of such termination to the other Party. Notice must identify the effective date of such termination and must be provided in accordance with the terms and conditions of this Agreement.

2. In the event of termination under this section, City must submit its final invoice to VTA within 30 calendar days of the effective date of termination, and such invoice will be solely for Eligible Costs City incurred prior to termination.

### R. Audit and Records.

- 1. City must maintain, and must require their contractors to maintain, in accordance with generally accepted accounting principles and practices, complete books, accounts, records, and data pertaining to services performed under this Agreement, including the costs of contract administration. Such documentation must be supported by properly executed payrolls, invoices, contracts, and vouchers evidencing in detail the nature and propriety of any charges and must be sufficient to allow a proper audit of services. All checks, payrolls, invoices, contracts, and other accounting documents pertaining in whole or in part to the services must be clearly identified and readily accessible.
- 2. For the duration of the Agreement, and for a period of five years after final payment, each Party and its representatives must have access during normal business hours to any books, accounts, records, data, and other relevant documents ("Records") of the other Party that are pertinent to this Agreement for audits, examinations, excerpts, and transactions. The other Party must furnish copies of the Records upon request.

### S. Notices / Authorized Representatives.

- 1. Notices must be in writing and addressed to the other Party's Authorized Representative ("Recipient") and will be deemed delivered or received on the date personally delivered to the Recipient or when deposited by registered or certified mail with postage and charges prepaid.
- **2.** The Parties Authorized Representatives are as follows:

### VTA:

Marcella Rensi Deputy Director, Grants & Allocations Santa Clara Valley Transportation Authority 3331 N First Street San Jose, CA 95134

Email: marcella.rensi@vta.org

### CITY:

Michael Liw Assistant Public Works Director/City Engineer City of Santa Clara, Department of Public Works 1500 Warburton Avenue Santa Clara, CA 95050

Email: mliw@santaclaraca.gov

**3.** Written notification to the other Party must be provided, in advance, for changes in the name or address of an Authorized Representative stated above.

### T. General Terms and Conditions.

- **1. Headings.** The subject headings of the articles and paragraphs in this Agreement are included for convenience only and will not affect the construction or interpretation of any of its provisions.
- **2. Incorporation of Exhibits and Attachments.** All exhibits and attachments referenced in this Contract are incorporated into it by this reference.
- 3. Construction and Interpretation of Agreement. This Agreement, and each of its provisions, terms, and conditions, has been reached as a result of negotiations between the Parties. Accordingly, each Party expressly acknowledges and agrees that (i) this Agreement will not be deemed to have been authored, prepared, or drafted by any particular Party and (ii) the rule of construction to the effect that ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement or in the resolution of disputes.
- **4. Amendment.** Except as expressly provided in this Agreement, its provisions cannot be altered, modified, or amended except through the execution of a written amendment executed by the Parties.
- 5. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter and supersedes all prior negotiations, contracts, agreements, or understandings, whether oral or written, of the Parties regarding the subject matter.
- **6. No Waiver.** The failure of either Party to insist upon the strict performance of any of the terms, covenants, or conditions of this Agreement will not be deemed a waiver of (i) any right or remedy that either Party may have or (ii) either Party's right to require strict performance of all of the terms, covenants, and conditions of this Agreement.

### 7. Dispute Resolution.

a. If a question or allegation arises regarding (i) interpretation of this Agreement or its performance, or (ii) the alleged failure of a Party to perform, the Party raising the question or making the allegation must give written notice thereof to the other Party. The Parties must promptly meet in an effort to resolve the issues raised. If the Parties fail to resolve the issues raised, alternative forms of dispute resolution, including mediation, may be pursued by mutual agreement. It is the intent of the Parties to the greatest extent possible to avoid litigation as a method of dispute resolution.

- b. Notwithstanding the foregoing, nothing in this Paragraph T will be deemed to prevent a Party from filing suit or an administrative action to preserve its right to assert a claim within any applicable statute of limitations. To the extent practicable, the Parties will negotiate in good faith to create a tolling agreement to toll such statute(s) of limitations to allow for the Parties to engage in dispute resolution provisions of this Agreement prior to filing of such actions.
- 8. Severability. If any provisions of this Agreement (or portions or applications of it) are held to be unenforceable or invalid by any court of competent jurisdiction, (a) the Parties will negotiate in good faith to make an equitable adjustment to the Agreement provisions with a view toward effecting the Agreement's purpose, and (b) the remaining provisions (or portions or applications of them) will remain valid and enforceable.
- **9. Governing Law.** The laws of the State of California will govern this Agreement and any claim that might arise between City and VTA without regard to conflict of law provisions.
- **10. Venue.** Any lawsuit or legal action arising from this Agreement must be commenced and prosecuted in the courts of Santa Clara County, California. City agrees to submit to the personal jurisdiction of the courts located in Santa Clara County, California for the purpose of litigating all such claims.
- 11. Ownership of Work. All reports, designs, drawings, plans, specifications, schedules, studies, memoranda, and other documents assembled or prepared, in the process of being assembled or prepared, or furnished to either Party under this Agreement are the joint property of all Parties. Each Party is entitled to copies and access to these materials during the progress of the Project and upon completion of the Project or termination of this Agreement. All Parties may retain a copy of all material produced under this Agreement for use in their general activities.
- 12. Attribution to VTA. City must include attribution to VTA that indicates part of the work was funded by 2016 Measure B Funds. This provision applies to any project or publication that was funded in whole or in part by 2016 Measure B funds. Acceptable forms of attribution include 2016 Measure B's branding on Project-related documents, construction signs, public information materials, and any other applicable documents. VTA will provide 2016 Measure B branding to City for this purpose.
- 13. Non-discrimination. The Parties and any contractors performing services on behalf of the Parties ("Contractors") will not unlawfully discriminate or permit discrimination, harass, or allow harassment against any person or group of persons because of race, color, religious creed, national origin, ancestry, age (over 40), sex, gender, gender identity, gender expression, sexual orientation, marital status, pregnancy, childbirth or related conditions, medical condition (including cancer), mental disability, physical disability (including HIV and AIDS), genetic information, or military and veteran's status, or in any manner prohibited by federal, state, or local laws. In addition, the Parties and Contractors must not unlawfully deny any of their

employees' family care leave or discriminate against such employees on the basis of having to use family care leave. The Parties and Contractors must ensure that the evaluation and treatment of their employees and applicants for employment is free of such discrimination and harassment.

- **14. Relationship of the Parties.** It is understood that this is an Agreement by and between independent parties and does not create the relationship of agent, servant, employee, partnership, joint venture or association, or any other relationship other than that of independent contractor.
- **15. Counterparts; Electronic Signatures.** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which will constitute one and the same instrument. Unless otherwise prohibited by law, VTA policy, or City ordinance or policy, the Parties agree that an electronic copy of a signed contract, or an electronically signed contract, has the same force and legal effect as a contract executed with an original ink signature. The term "electronic copy of a signed contract" refers to a writing as set forth in Evidence Code Section 1550. The term "electronically signed contract" means a contract that is executed by applying an electronic signature using technology approved by each of the Parties.
- **16. Authority to Execute Agreement.** Each Party to this Agreement represents and warrants that each person whose signature appears below is authorized and has the full authority to execute this Agreement on behalf of the entity that is a Party to this Agreement.

Signatures on the following page.

The Parties have caused their undersigned, duly authorized signatories to execute this Agreement on the dates set forth below.

Santa Clara Valley Transportation Authority	City of Santa Clara
Carolyn M. Gonot	Jōvan D. Grogan
General Manager/CEO	City Manager
Date	Date
Approved as to Form:	Approved as to Form:
Lindsey Schmid	Glen R. Googins
VTA Legal Counsel	City Attorney
Date	Date

#### **EXHIBIT A**

# 2016 Measure B Bicycle & Pedestrian Program Guidelines

[Revised and approved by VTA Board of Directors: August 4, 2022]

To fund bicycle and pedestrian projects of countywide significance identified by the cities, County and VTA. The program will give priority to those projects that connect to schools, transit and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and make walking or biking a safer and more convenient means of transportation for all county residents and visitors. Bicycle and pedestrian educational programs such as Safe Routes to Schools, will be eligible for funding.

## **Total Funding**

3.97% of Program Tax Revenues

## **Program Type**

Formula-based program

# **Distribution of Funds**

- Funds will be allocated on a two-year cycle, in conjunction with the VTA Biennial Budget process.
- Funds are allocated on an annual basis, based on the application of the ballot-established ratio to the estimated Program Tax Revenue. The allocations are calculated in two steps:
  - 1. Multiplying the ballot-established ratio by the projected Program Tax Revenues for that fiscal year.
  - 2. Reconciling prior allocations, which were based on estimated Program Tax Revenues, with actual Program Tax Revenues (referred to as a "true-up process"). This true-up process will occur in the first fiscal year of each biennial budget cycle.
- The program will consist of three sub-categories: Education & Encouragement Programs, Planning Studies, and Capital Projects.
- A minimum of 80% of available program category funds will be allocated to Capital Projects.
- A maximum of 15% of available program category funds will be set aside for Education & Encouragement. The funds will be allocated as follows:
  - 1. 25% for countywide (including targeting unincorporated areas) education & encouragement programs
  - 2. Remaining funds allocated by city population formula with a \$10,000 annual minimum allocation per city
- A maximum of 5% of available program category funds will be allocated to Planning Studies.
- If the Planning Studies or Capital Projects competitive grant cycle is not fully awarded, the balance of funds from that cycle will roll into its next call for projects cycle.

### **Implementation**

Only projects currently listed on Attachment A of 2016 Measure B are eligible.

# Education & Encouragement (Formula Distribution)

- VTA and individual agencies will enter into a Master Agreement for Education
   & Encouragement funds.
- The 2016 Measure B Program Office will notify agency of allocation for twoyear cycle.
- Funds will be distributed on a reimbursable basis.
- Agency will submit annual education & encouragement work program and annual progress report.
- Education & Encouragement funds may be banked for a maximum of three years with explanation of banking purposes upon approval by the 2016 Measure B Program Office.
- The 2016 Measure B Program Office will conduct an assessment regarding the effectiveness of the program.

# Capital Projects & Planning Studies (Competitive Grants)

- Only a public agency can serve as a project sponsor. Other entities must partner with a public agency to apply for a grant.
- The grant program contains two categories:
  - Capital projects
    - Activities leading to/including:
      - Environmental Clearance
      - Design
      - Right of Way
      - Construction
    - Construction grant requests must include cost estimates supported by 30% to 35% design.
  - Planning studies
    - Includes planning studies to support capital project development for those projects currently listed on Attachment A of 2016 Measure B. It does not include general/master planning efforts.
- The minimum grant award is \$50,000.
- The maximum grant award per sponsoring agency can be no more than 50% of the total available funds per call for projects per cycle, unless the cycle is undersubscribed.
- The 2016 Measure B Program Office developed project criteria in conjunction with the VTA Technical Advisory Committee (TAC) Capital Improvement Program Working Group and incorporated input from the TAC and Bicycle & Pedestrian Advisory Committee (BPAC).

 Scoring committees for the grant programs will be comprised of three BPAC members, three Member Agency staff, and one VTA staff person. If enough BPAC or Member Agency staff are not available as described above, Board-adopted scoring committee policy will be followed.

## **Criteria**

- Capital Projects and Planning Studies will be scored on criteria that supports the language in 2016 Measure B, including but not limited to:
  - o Countywide significance
  - Connection to/serves schools, transit, or employment centers
  - o Fills gaps in bicycle/pedestrian network
  - Provides safer crossings of barriers
  - Makes walking or biking safer
  - Makes walking or biking more convenient
  - Other criteria to consider:
    - Safety benefits
    - Increase in bicycle and pedestrian usage
    - Community support
    - Project readiness
    - Projects serve Equity Priority Communities or vulnerable populations with specific needs
    - Non-2016 Measure B contribution

## Requirements

- Competitive grant projects require a minimum 10% non-2016 Measure B contribution.
- Reporting requirements will be detailed in agreements executed with VTA for project funding.
- VTA Complete Streets reporting requirements are required for Planning Studies and Capital Projects.
- All projects must comply with 2016 Measure B program oversight requirements.
- All collateral material must comply with 2016 Measure B branding requirements.

#### **EXHIBIT B**

### **INSURANCE REQUIREMENTS**

CITY'S ATTENTION IS DIRECTED TO THE INSURANCE REQUIREMENTS BELOW. IT IS HIGHLY RECOMMENDED THAT CITY CONFER WITH THEIR INSURANCE CARRIERS OR BROKERS TO DETERMINE THE AVAILABILITY OF INSURANCE CERTIFICATES AND ENDORSEMENTS REQUIRED BY THIS AGREEMENT.

#### **INSURANCE**

Without limiting City indemnification and defense of claims obligations to VTA, City must procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise under or in connection with any work, authority, or jurisdiction associated with the Agreement. The cost of such insurance must be borne by City. City must furnish complete copies of all insurance policies within three (3) business days of any request for such by VTA.

#### A. MINIMUM SCOPE OF INSURANCE

Coverage must be at least as broad as:

- 1. Insurance Services Office General Liability coverage ("occurrence" form CG 0001). General Liability insurance written on a "claims made" basis is not acceptable.
- 2. Business Auto Coverage, Insurance Services Office form number CA 0001, covering Automobile Liability, code 1 "any auto." Auto Liability written on a "claims-made" basis is not acceptable.
- 3. Workers' Compensation insurance as required by the Labor Code of the State of California and Employer's Liability insurance.
- 4. Professional Liability, including limited contractual liability coverage, covering liability arising out of any negligent act, error, mistake or omission in the performance of Contractor's services under this Contract. This coverage must be continuously maintained for a minimum of two (2) years following completion of this Contract. This coverage may be written on a "claims made" basis, if so, please see special provisions in Section B.
- 5. Contractor's Pollution Liability: covering liability arising out of the treatment, handling, storage, transportation, or accidental release of any hazardous material.

### **B. MINIMUM LIMITS OF INSURANCE**

- 1. City must maintain limits no less than:
  - a. General Liability: \$5,000,000 limit per occurrence for bodily injury, personal injury, and property damage. If General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.
  - b. Automobile Liability (including umbrella/excess liability): \$5,000,000 limit per accident for bodily injury and property damage. This requirement may be satisfied by a combination of

General Liability with Excess or Umbrella. Umbrella/Excess policies must feature inception and expiration dates concurrent with the underlying Automobile Liability policy, "Follow Form" coverage, and a "Drop Down" provision.

- c. Workers' Compensation and Employer's Liability: Workers' compensation limits as required by the Labor Code of the State of California and Employer's Liability limits of \$1,000,000 per accident.
- d. Professional Liability: \$2,000,000 each occurrence/aggregate minimum limit per claim.
- e. Contractor's Pollution Liability: \$3,000,000 per occurrence. This requirement may be satisfied by a combination of Pollution Liability with Excess or Umbrella. Umbrella/Excess policies must feature inception and expiration dates concurrent with the underlying Pollution Liability policy, "Follow Form" coverage, and a "Drop Down" provision.
- 2. Notwithstanding any language in this Lease to the contrary, if City carry insurance limits exceeding the minima stated in Section B(a)(1)-(3) immediately above, such greater limits will apply to this Agreement.

#### C. SELF-INSURED RETENTION

The certificate of insurance must disclose the actual amount of any deductible or self-insured retention, or lack thereof, for all coverages required herein. Any self-insured retention or deductible in excess of \$250,000 must be declared to and approved by VTA. If City are a governmental authority such as a state, municipality or special district, self-insurance is permitted. To apply for approval for a level of retention or deductible in excess of \$250,000, City must provide a current financial report including balance sheets and income statements for the past three years, so that VTA can assess City's ability to pay claims falling within the self-insured retention or deductible. Upon review of the financial report, if deemed necessary by VTA in its sole discretion, VTA may elect one of the following options: to accept the existing self-insured retention or deductible; require the insurer to reduce or eliminate the self-insured retention or deductible as respects VTA, its directors, officers, officials, employees and volunteers; or to require City to procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses. Applicable costs resulting therefrom will be borne solely by City. City may request execution of a nondisclosure agreement prior to submission of financial reports.

# D. CLAIMS MADE PROVISIONS (NOT APPLICABLE TO GENERAL LIABILITY OR AUTO LIABILITY)

Claims-made coverage is never acceptable for General Liability or Auto Liability. Claims-made may be considered for Professional, Environmental/Pollution, or Cyber Liability. If coverage is written on a claims-made basis, the Certificate of Insurance must clearly state so. In addition to all other coverage requirements, such policy must comply with the following:

- 1. The policy retroactive date must be no later than the date of this Agreement.
- If any policy is not renewed or the retroactive date of such policy is to be changed, City must obtain or cause to be obtained the broadest extended reporting period coverage available in the commercial insurance market. This extended reporting provision must cover at least two (2) years.

- 3. No prior acts exclusion may be added to the policy during the Agreement period.
- 4. The policy must allow for reporting of circumstances or incidents that might give rise to future claims.

#### E. OTHER INSURANCE PROVISIONS

The policies must contain, or be endorsed to contain, the following provisions:

## 1. General Liability and Automobile Liability

- a. VTA, its directors, officers, officials, employees, and volunteers must be named as additional insureds as respects: liability arising out of City's performance under this Agreement. The coverage must contain no special limitations on the scope of protection afforded to VTA, its directors, officers, officials, employees, or volunteers. Additional Insured endorsements must provide coverage at least as broad as afforded by the combination of ISO CG 20 10 10 01 and CG 20 37 10 01.
- b. Any failure to comply with reporting provisions of the policies may not affect coverage provided to VTA, its directors, officers, officials, employees, or volunteers.
- c. Coverage must state that Lessee's insurance applies separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- d. The General Liability General Aggregate limit must apply per project, not per policy.
- e. The General Liability policy must be endorsed to remove the exclusion for railroad liabilities, with coverage at least as broad as afforded by ISO CG 24 17.

# 2. All Coverages

- a. City must agree to waive all rights of subrogation against VTA, its directors, officers, officials, employees, and volunteers for losses arising under or in connection with any work, authority, or jurisdiction associated with the Agreement.
- b. City's insurance coverage must be primary insurance as respects VTA, its directors, officers, officials, employees, and volunteers. Self-insurance or insurance that may be maintained by VTA, its directors, officers, officials, employees, or volunteers may apply only as excess to City's insurance. City's insurance must not seek contribution from VTA's insurance program.

#### 3. Other Insurance Provisions

- a. The Certificate must disclose the actual amount of the Deductible or Self-Insured Retention.
- b. If any coverage forms or endorsements required by this Agreement are updated by their publishers, whether they be the insurance carrier(s), the Insurance Services office, or the American Association of Insurance Services, during the duration of this Agreement, VTA reserves the rights to require City to procure said coverage forms or endorsements using the updated versions upon the next renewal cycle.

#### F. ACCEPTABILITY OF INSURERS

Insurance must be placed with insurers with an A.M. Best's rating of no less than A VII (financial strength rating of no less than A and financial size category of no less than VII), unless specific prior written approval has been granted by VTA.

### **G. CERTIFICATES OF INSURANCE**

City must furnish VTA with a Certificate of Insurance. The certificates for each insurance policy must be signed by an authorized representative of that insurer. The certificates must be issued on a standard ACORD Form. City must instruct their insurance broker/agent to submit all insurance certificates and required notices electronically in PDF format to real.estate@vta.org. All endorsements must be attached to the ACORD certificate in a single PDF document.

The certificates must (1) identify the insurers, the types of insurance, the insurance limits, the deductibles, and the policy term, (2) include copies of all the actual policy endorsements required herein, and (3) in the "Certificate Holder" box include:

Santa Clara Valley Transportation Authority ("VTA") 331 First North First Street San Jose, CA 95134-1906

In the Description of Operations/Locations/Vehicles/Special Items Box, the VTA property leased must appear, the list of policies scheduled as underlying on the Umbrella/Excess policy must be listed, Certificate Holder must be named as additional insured, and Waiver of Subrogation must be indicated as endorsed to all policies as stated in the Agreement documents.

It is a condition precedent to granting of this Agreement that all insurance certificates and endorsements be received and approved by VTA before Agreement execution. No occupancy may be taken until insurance is in full compliance. VTA reserves the rights to require complete, certified copies of all required insurance policies, at any time.

If City receive notice that any of the insurance policies required by this Attachment may be cancelled or coverage reduced for any reason whatsoever, City must immediately provide written notice to VTA that such insurance policy required by this Attachment is canceled or coverage is reduced.

#### H. MAINTENANCE OF INSURANCE

If City fail to maintain insurance as required herein, VTA, at its option, may suspend the Agreement until a new policy of insurance is in effect.

Ed. Rev. 10-1-19



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-77 Agenda Date: 7/8/2025

# REPORT TO COUNCIL

# **SUBJECT**

Action to Delegate Authority to the City Manager to Execute Purchase Orders and Negotiate Agreements and/or Amendments with Doble Engineering Company for Test Equipment, PowerBase Software, Relay Testing Software, and Other Services Related to Silicon Valley Power Operations, and to Ratify Amendments and Payments Exceeding City Manager Authority

# COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

# **BACKGROUND**

In 2019, the City Manager executed a Master Service Agreement (Agreement) with Doble Engineering Company (Doble) for test equipment, engineering services, report reviews, laboratory testing, and access to technical resources. While the Agreement was signed in 2019, it was effective retroactively on April 1, 2018, with an initial term through March 31, 2020, and includes up to 10 one-year optional term extensions through March 31, 2030. As of March 2025, the total expenditure under the Agreement is \$308,980.

In addition to the purchases made under the Agreement, the City has issued purchase orders (outside of the Agreement) to Doble for PowerBase Software and Relay Testing Software (RTS), which supports management and testing of electric protection systems as well as other associated products and services such as gas cylinder calibration. Since 2020, approximately \$146,322 has been spent on these software tools outside of the Agreement.

# DISCUSSION

Since April 2018, the City has paid Doble \$455,302 under both the Agreement and separate purchase orders issued for test equipment support and services. This amount exceeds the City Manager's current authorization of \$250,000 under Section 2.105.300 of the Santa Clara City Code. Staff is seeking City Council ratification of expenditures made under the Doble Agreement and related purchase orders that exceeded the City Manager's authority.

The table below details past expenditures:

Fiscal Year of	Master	Other	Total for FY	Cumulative Total
Expense	Agreement	Purchases		
FY 2019/20	\$103,330.00	\$0.00	\$103,330.00	\$103,330.00
FY 2020/21*	\$36,500.00	\$28,836.08	\$65,336.08	\$168,666.08
FY 2021/22	\$37,110.00	\$49,227.24	\$86,337.24	\$255,003.32

25-77 Agenda Date: 7/8/2025

FY 2022/23	\$37,890.00	\$30,183.83	\$68,073.83	\$323,077.15
FY 2023/24	\$38,660.00	\$4,586.99	\$43,246.99	\$366,324.14
FY 2024/25	\$55,490.00	\$33,488.03	\$88,978.03	\$455,302.17
Total	\$308,980.00	\$146,322.17		

As SVP expects to use Doble's tools and services through the full contract term ending March 31, 2030, staff also is seeking City Council authorization for the City Manager to execute future amendments and/or purchase orders with Doble for test equipment, engineering services, software (including PowerBase and Relay Testing Software), and other related products and services through March 31, 2030. Staff is seeking City Council authorization to increase the maximum compensation by \$544,697.83 for a new total maximum compensation of \$1,000,000. This amount includes anticipated cost escalation and additional services that may be required such as upgrades, training, or specialized support needed from the vendor. This funding allocation may change depending on future needs. As SVP's system is growing and staffing is changing, there may be an increased need for this service or for staff training. Additionally, system upgrades may be required as the system matures.

Staff has been reviewing issues related to exceeding expenditure authorities and will be bringing these forward as they are uncovered to address the issue and ensure transparency. For many of these, the issue has been historical interpretations of expenditure authority and limits, but not having a formal way to track expenditures has been a contributing factor. The latter is currently in the process of being addressed with the future launch of a new module in Peoplesoft, the City's financial management program.

## **ENVIRONMENTAL REVIEW**

The actions being considered do not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulations in that it can be seen with certainty that there is no possibility that the proposed actions may have a significant effect on the environment.

## FISCAL IMPACT

Sufficient funds for the testing equipment provided under the Doble Master Services Agreement are available in the FY 2024/25 Operating Budget, Substation Maintenance, in the Electric Utility Fund. Sufficient funds for the PowerBase and RTS software are available in the FY 2024/25 Operating Budget, System Support, in the Electric Utility Fund. Funding is also available in the FY 2025/26 and FY 2026/27 Adopted Operating Budget in the Electric Utility Fund for these items. Funding for future years will be incorporated into the regular budget process.

## COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

# PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City

25-77 Agenda Date: 7/8/2025

Clerk's Office at (408) 615-2220, email <u>clerk@santaclaraca.gov</u>.

## RECOMMENDATION

1. Authorize the City Manager to negotiate and execute agreements, and/or purchase orders with Doble Engineering Company for test equipment, software (including PowerBase and Relay Testing Software), engineering services, and other related products and services with a maximum authorization of \$1,000,000 for the period of April 1, 2018, through March 31, 2030, subject to budget appropriations and the review and approval as to form by the City Attorney;

- 2. Ratify the City Manager's execution of amendments to the Doble Master Services Agreement and related purchase orders and payments issued to Doble prior to the date of this report in excess of the City Manager's authority; and
- 3. Authorize the City Manager to (1) take any actions necessary to implement and administer the purchase orders or agreements and (2) a negotiate and execute amendment(s) to (a) add or delete services associated with the services; (b) adjust future rates based on market conditions, (c) make de minimis changes; and (d) extend the term of the Master Agreement through March 31, 2030, subject to budget appropriations and the review and approval as to form by the City Attorney.

Reviewed by: Nico Procos, Acting Director of Silicon Valley Power Approved by: Jovan D. Grogan, City Manager

# **ATTACHMENTS**

- 1. Doble Master Services Agreement
- 2. Doble Amendment No. 1
- 3. Doble Amendment No. 2
- 4. Doble Amendment No. 3
- 5. Doble Amendment No. 4
- 6. Doble Amendment No. 5



The City of Santa Clara 1500 Warburton Ave. Santa Clara, CA 95050

Ref. #: 4767

# DOBLE MASTER SERVICES AGREEMENT

Doble Engineering Company ("Doble"), a Massachusetts corporation with global headquarters located at 85 Walnut St., Watertown, MA 02472, hereby confirms the Doble Master Services Agreement ("Agreement") with The City of Santa Clara, a California company with principal address at 1500 Warburton Ave. Santa Clara, CA 95050, ("you" or "your") as follows:

- 1. Term. The duration of this Agreement ("Agreement Period") shall extend from April 1, 2018 until March 31, 2020 ("the Initial Term") and shall be extended thereafter for successive periods of one year at Doble's then applicable rates, up to ten (10) years from Effective Date ("Extended Terms") unless either party shall notify the other in writing at least sixty days prior to the end of the then current term of its intention to terminate this Agreement.
- 2. Contract Price. During the agreement period, Doble will furnish you for your use, EXW Doble facility, Test Equipment (as defined below) with pricing ("Contract Price") per Exhibit A attached hereto for reference. Doble reserves the right to furnish the Test Equipment to you from one or more Doble facilities, dependent upon the Test Equipment identified in Exhibit A.
- 3. General Service. In connection with your use of the described equipment, software, and/or services, together with any additional or substitute equipment, software, and/or services furnished you by Doble under this Agreement or any amendment thereof ("Test Equipment") as per Exhibit A, and in consideration for your agreement to pay the Contract Price, Doble, at your request, agrees to provide the following services and instructions (hereinafter called "General Service") during the Agreement Period:
  - A. Access to Doble Library and Knowledge Base of Conference Proceedings, tutorials, reference guides, maintenance and test procedures, manufacturer service advisories, testdata reference book, and committee transactions.
  - B. Right to attend and participate in the twice-yearly meetings of the nine Doble Client Technical Committees.
  - C. Right to participate in the Annual International Conference of Doble Clients, and access of the proceedings thereof.
  - **D.** The services of an engineer, as mutually agreed and during normal business hours, to consult with and instruct you on insulation power-factor testing for a continuous period not exceeding five (5) eight-hour days plus travel time once each contract year. In addition, Doble will provide a total of two (2) training days per year specifically for the support of any Myrkos portable DGE test set(s) that may be included as Test Equipment under this Agreement.
  - E. Oral reviews and reasonable written reviews of and reports on your test data; the privilege of general consultation on your insulation problems; and application and data analysis support for any applicable Test Equipment.
  - F. Laboratory testing service on insulating fluid samples up to \$500 annually.
  - G. Right to participate in the Doble Maintenance Engineer E-Mail Discussion Forum, access via Internet to the Doble On-Line Center for technical support, FAQs on apparatus testing and Doble publications, access to Doble electronic test database via Doble Engineer.
- 4. Services, Generally. The above listed Test Equipment and General Service, together with any additional or substitute Test Equipment and/or General Service furnished you by Doble under this Agreement or any amendment thereof, shall hereinafter be called the "Services". Any equipment included as part of the provision of Services shall still be referred to as Test Equipment alone when the intent is to speak of such apart from its existence under the Services generally.
- 5. Substitution and Provision of Additional Test Equipment. Doble agrees to furnish you at your request with such substitute or additional Services as may be available at Doble's then applicable rates. Any additional or substitute Test Equipment furnished you by Doble shall be held by you subject to all of the terms, provisions and conditions of this Agreement except as may be

1 of 5



expressly agreed in writing between you and Doble at or prior to the time of delivery thereof. This Agreement and its terms are based upon you retaining the Test Equipment for the Initial Term, and the Test Equipment shall not be returned during the term of this Agreement, except as expressly defined under Section 7, Warranty. Doble reserves the right, but not the obligation, to request from You that the Test Equipment be exchanged for replacement Test Equipment of equivalent functionality, at Doble's sole discretion.

- 6. Defense of Claims. Subject to your compliance with the provisions of §24 hereof, Doble will defend you in any legal proceeding or against any claim brought or threatened against you for alleged infringement of patent rights occasioned by your use of the Services provided under this Agreement and will indemnify and save you harmless from and against all such claims or judgments resulting therefrom and/or settlement of such claims if Doble has assented to such settlement;
- 7. Warranty. Doble will repair, adjust or replace, as the circumstances may warrant and subject to your payment obligations in Section 8 below, any impaired Test Equipment returned by you to Doble at Watertown, Massachusetts:
  - A. without charge for transportation, including handling costs (if any) or for Doble's actual cost of repair, adjustment or replacement if occasioned by inherent defect;
  - B. on payment by you of charges for transportation, including handling costs (if any), and without charge to you for Doble's actual cost of repair, adjustment or replacement, if occasioned by reasonable wear and tear; and
  - C. on payment by you of charges for transportation, including handling costs (if any) and for Doble's actual cost of repair, adjustment or replacement, if occasioned by any cause other than inherent defect or reasonable wear and tear.
  - D. non-gaseous consumables (one year 300 test supply) will be supplied to you at no additional charge (solely with applicable Test Equipment).
- 8. Payments. You agree to pay Doble promptly and as the same shall become due:
  - A. the Contract Price specified in the Exhibit A;
  - **B.** additional charges at Doble's then current monthly rates with respect to any Services retained by you after the expiration of the Agreement Period;
  - C. the actual living and traveling expenses incurred by Doble engineers sent to you in accord with your §3(d) request;
  - **D.** the actual cost of repair, adjustment, or replacement of any Test Equipment retained by you as part of the Services as provided in §7, such as any damage generated from your excessive wear and tear, misuse or abuse of, the Test Equipment, including but not limited to direct liquid oil injection into the applicable Test Equipment. In the event that Doble must replace any Test Equipment because You are unable to return the Test Equipment for any reason (including but not limited to units that are lost, stolen, or damaged beyond reasonable repair), You shall promptly pay to Doble the replacement fee for the applicable Test Equipment including any applicable re-stocking fees and/or charges, which shall be the list price for the applicable Test Equipment at the time of replacement;
  - E. the cost of transportation of any Test Equipment except as provided in paragraph §7;
  - **F.** any additional equipment provided, or charges which may become payable byreason of furnishing of additional or substitute Services at your request, or the application of any other provision of this Agreement.
  - G. any additional monthly late charge for any invoice remaining unpaid beyond the period set forth in Section 7(e) of this Agreement. This late fee shall be calculated each month at 1.5 percent of the total amount due on the invoice, inclusive of any pre-existing fees and late charges as of the date of the calculation.
- 9. Taxes. You hereby assume, unless current evidence of tax exempt status is provided to Doble, liability for and payment of all taxes, duties and assessments which shall be levied against or in respect of this Agreement, its renewals, the Services, or any interest therein upon whomsoever the same may be assessed or levied.
- 10. Invoices. You shall render invoices for payment of the Contract Price in advance and invoices with respect to all other charges under this Agreement shall be rendered by you as they accrue; and payment of all invoices shall be due thirty (30) days from the invoice date.
- 11. Calibration. You shall return any Test Equipment to Doble for calibration and testing when requested by Doble;



- 12. Impaired Equipment. You shall return impaired Test Equipment to Doble as soon as such impairment is discovered;
- 13. Return of Equipment upon Termination. To the extent possible, you shall return all Test Equipment and Doble instruction books to Doble at the expiration of the Agreement Period or upon the earlier termination of your rights hereunder in the same condition as they were in when delivered to you, reasonable wear and tear excepted.
- 14. Authorized Use Only. You shall use the Services only in accordance with the written or printed instructions furnished by Doble and, except as Doble may expressly authorize in writing, to permit its use only by your employees and authorized agents and only upon your property. The words "only upon your property" shall be deemed to include power systems on which you have been retained to do testing and/or maintenance. This shall be a non-exclusive right and shall not be construed as a prohibition against direct dealings and transactions between Doble and any of these systems.
- 15. Indemnification. To the fullest extent permitted by applicable law, you shall indemnify and save Doble harmless from and against any and all claims for personal injury, death or property damage (including reasonable Attorney and court fees) resulting from or incidental to the operation of any Test Equipment while it is in your possession or control, except to the extent (if any) that such injury or damage shall be due to Doble's sole negligence.
- 16. Holdover and Short-Term Rentals. You shall comply with all of the terms, provisions and conditions of this Agreement with respect to any short-term rentals of equipment, or any Test Equipment retained by you after the expiration of the Agreement Period. Rental options are available, to be billed on a monthly basis. In the event of any such holdover after termination, you shall have a sixty (60) day period to cure by either promptly returning the applicable equipment, or formally renewing the applicable Agreement. After the expiration of such cure period, you shall be charged two (2) times the applicable Agreement price until the equipment is confirmed returned to Doble or a new Agreement has been executed.
- 17. EULA Applicability. You shall comply with the terms of any applicable end-user license agreement ("EULA") that may be provided to you by Doble at the time of the Doble proprietary software being furnished to you.
- 18. Supplemental Consulting. You shall comply with the provisions of the Supplemental Terms and Conditions for Testing and Consulting Services for any additional field testing or consulting services that you may request to be performed by Doble on your behalf.
- 19. Confidentiality. Doble acknowledges that Santa Clara is a public agency subject to the California Public Records Act Cal. Gov. Code section 6250 et. seq. Santa Clara acknowledges that Doble may submit information pursuant the Uniform Trade Secrets Act (Cal. Civ. Code section 3426 et. seq.), or otherwise protected from disclosure pursuant to an exemption to the California Public Records Act (Government Code sections 6254 and 6255). Doble acknowledges that Santa Clara may submit to Doble information that Santa Clara considers confidential or proprietary or protected from disclosure pursuant to exemptions to the California Public Records Act (Government Code sections 6254 and 6255). Upon request or demand of any third person or entity not a party to this Agreement ("Requestor") for production, inspection and/or copying of information designated by a Disclosing Party as Confidential Information, the Receiving Party as soon as practical but within three (3) days of receipt of the request, shall notify the Disclosing Party that such request has been made, by telephone call, letter send via facsimile and/or by US Mail to the address and facsimile number listed at the end of the Agreement. The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action, after receiving the foregoing notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it.
- 20. Bankruptcy or Insolvency. This Agreement shall be automatically terminated in the event of 1) you commence a voluntary case under title 11 of the United States Code or the corresponding provisions of any successor laws; 2) anyone commences an involuntary case against you under title 11 of the United States Code or the corresponding provisions of any successor laws and either (A) the case is not dismissed by midnight at the end of the 60th day after commencement or (B) the court before which the case is pending issues an order for relief or similar order approving the case; 3) a court of competent jurisdiction appoints, or you make an assignment of all or substantially all of your assets to, a custodian (as that term is defined in title 11 of the United States Code or the corresponding provisions of any successor laws) for you or all or substantially all of your assets; or 4) you fail generally to pay your debts as they become due (unless those debts are subject to a good-faith dispute as to liability or amount) or you acknowledges in writing that you are unable to do so..



- 21. Expressly Unauthorized Use of Doble Equipment. Without limiting any other terms of this agreement, you agree to refrain from:
  - A. breaking any seal on, or repairing or permitting repairs on any Test Equipment except at the request or with the consent of Doble;
  - B. manufacturing or causing or permitting to be manufactured copies of any Services; or
  - C. in any way impairing, reverse engineering, or otherwise manipulating or handling any Test Equipment in a manner inconsistent with the advice or consent of an authorized client service engineer or otherwise violating any of Doble's patents, copyrights, trade secrets, or other intellectual property rights.
- 22. Assignment. Doble and you further agree that neither this Agreement nor any right created hereby shall be assigned or assignable by your voluntary act or by operation of law, and no Test Equipment or written material including instructions shall be transferred, delivered, sublet or the use thereof authorized by you to any other person, firm or corporation without Doble's prior consent in writing.
- 23. Title and Risk of Loss. Any Test Equipment and Doble instruction books shall at all times remain and be the sole and exclusive property of Doble, and you shall have no property right therein, but only the right to use the same during the Agreement Period. Any Test Equipment shall until redelivery to Doble at Watertown, Massachusetts, be held at your sole risk of loss from injury, loss or destruction from any cause whatsoever except as specified in §7.
- 24. Notification of Claims. You shall promptly notify Doble of any legal proceedings or claims brought or threatened against you for alleged infringement of patent rights occasioned by your use of any Services or methods furnished hereunder, allow Doble to undertake the defense thereof and furnish Doble with all information in your possession relating thereto.
- 25. Breach. In the event of any breach of any of the terms, provisions or conditions of this Agreement, not remedied within 30 days, then Doble by notice in writing to you may immediately terminate your rights hereunder, and in such event you hereby irrevocably authorize and license Doble and its agents to enter upon any premises where Test Equipment and/or Doble Instruction Books furnished you under this Agreement, if any, are located and to take possession of and remove the same.
- 26. Liability upon Termination. The termination of this Agreement or your rights hereunder as provided anywhere in this Agreement shall not release you from your obligation to make any payment provided for in this Agreement and shall be without prejudice to any other rights or remedies which Doble may have for breach of this Agreement. In no event shall either party's liability or obligations to indemnify another party under this Agreement exceed the amount listed in Section 2(a) herein. Further, in no event shall either party be liable to the other party for incidental, indirect, special, or consequential damages, or lost profits.
- 27. Governing Law. This Agreement and any dispute arising out of or related to this Agreement or your use of the Services shall be governed by the laws of the Commonwealth of Massachusetts, United States of America, without regard to any otherwise applicable choice-of-law provision, and the rights and obligations of the parties and their respective successors and assigns shall be governed by and determined in accordance with the laws of said Commonwealth. You further agree that the state or federal courts located in Boston, Massachusetts, United States of America, shall have exclusive jurisdiction and venue over any action arising out of or relating to the terms or subject matter of this Agreement and you hereby waive any claim of lack of personal jurisdiction, improper venue, or inconvenient forum that otherwise might apply.
- 28. Counterparts. This Agreement may be executed in several counterparts, including by facsimile or other electronic transmission, and each of which shall for all purposes be deemed to be an original.
- 29. Notices and Demands. Any notice or demand which by the provisions of this Agreement is required or may be given or served upon one of the parties hereto by the other shall be deemed to have been sufficiently given or served for all purposes by being sent as regular mail, postage prepaid, to the addressee at the address appearing on page 1 of this Agreement unless some other address shall be substituted therefor by a notice in writing containing a reference to this Agreement and a statement of the purpose of such notice.
- 30. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject



matter and this Agreement supersedes all prior or contemporaneous agreements, representations, or understandings, written or oral, explicit or implied, concerning the subject matter of this Agreement. This Agreement may not be modified or amended except in a writing signed by a duly authorized representative of each party; no other act, document, usage or custom will be deemed to amend or modify this Agreement. It is expressly agreed that the terms of this Agreement will supersede the terms of any of your purchase orders or other ordering documents.

If the foregoing is in accordance with your understanding, please sign the form of confirmation and acceptance on one of the enclosed counterparts hereof and return it to Doble. Upon Doble's receipt of one counterpart at Watertown, Massachusetts, this Agreement will become and evidence a binding contract.

Name:

DOBLE ENGINEERING COMPANY

By: Madia McShelly

Name: Maria McSherry

Title: Contracts Supervisor

THE CITY OF SANTA CLARA

By: Such FOR

Title: City Manager

APPROVED AS TO FORM: SANTA CLARA CITY ATTORNEY'S OFFICE

Deanna J. Santana



# **EXHIBIT A**

# TEST EQUIPMENT AND CONTRACT PRICE

# **EQUIPMENT**

Qty.	Description	Price
1	M4100 Insulation Analyzer	\$23,950.00
1	Doble Test Assistant, for M4100	\$2,390.00
1	M4300 Transport	\$290.00
1	M5400 SFRA	\$7,240.00
	TOTAL	\$33,870.00

Contract Price payable: annually in advance, net 30 days, pricing in USD EXW Watertown, MA, USA (Incoterms 2010)
Taxes are not included

NG COMPANY, P.O. BOX 843730, k	(ANSAS CITY, MO 64184-3730)
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
ANK; ABA# 101000019; SWIFT: CBI A# 101000019; ACCT# 208016616	KCUS44; ACCT# 208016616)
	NG COMPANY, P.O. BOX 843730, F ANK; ABA# 101000019; SWIFT: CB A# 101000019; ACCT# 208016616





# **Doble Engineering Company**

TOGETHER WE POWER THE WORLD

February 27, 2020

## The City of Santa Clara

1500 Warburton Ave. Santa Clara, CA 95050

Dear Sir or Madam:

# RE: Doble Service & Equipment Agreement April 11, 2019 - Amendment Number 1

The current period of the agreement under which we are providing Engineering Service including the use of Doble test equipment will expire March 31, 2020. We shall be pleased to extend our Agreement for another One year(s) but with an adjustment in our annual rates as follows:

M4100 Insulation Analyzer	\$25,160.00
M5400 SFRA	\$7,610.00
Doble Test Assistant, for M4100	\$2,510.00
M4300 Transport	\$310.00

We trust that you have continued to benefit from the use of our test equipment and services, and that it is your intention to extend our Agreement. Accordingly, we submit the following proposal for extension:

- i. The language in Section 3F stating "Laboratory testing service on insulating fluid samples up to \$500 annually" shall be deleted entirely and replaced with the following: "Receipt of Doble Annual Survey Report consisting of the test results of new commercially available mineral oils from the global market. The oils are tested in accordance with the Doble Transformer Oil Purchase Specification."
- ii. Amend Paragraph 2(a) of our Agreement to include the following Test Equipment and Contract Price:

1	M4300 Transport @ \$310,00	\$310.00
1	Doble Test Assistant, for M4100 @ \$2,510.00	\$2,510.00
1	M5400 SFRA @ \$7,610.00	\$7,610.00
1	M4100 Insulation Analyzer @ \$25,160.00	\$25,160.00

### Annual Contract Price

\$35,590.00

Payable: Annually in Advance All rates are FOB Watertown, MA

All other provisions and conditions of the Agreement remain unchanged.

We hope that you will find our proposal acceptable. If so, please sign the form of confirmation and acceptance below, and return one executed copy to us. For faster processing please fax your Purchase Order and the signed Amendment back to us at 617 926-0528 (Attention: Contracts Department) and send originals by mail. The second original may be retained for your files.





A purchase order should be issued for record and billing purposes; the 'Bill to' address should be clearly noted on the order. To avoid any conflict between the printed conditions of your purchase order form and our Agreement, we request that the following wording be included in your order;

This order is issued for billing and record purposes only, and is not intended to affect the terms, provisions and conditions of the Doble Service and Equipment Agreement dated April 11, 2019 as extended and amended.

Please indicate on your purchase order whether your organization is taxable or non-taxable. If you are non-taxable, please furnish us your tax-exempt certificate.

Sincerely yours.

We will appreciate your kind consideration of this revision, and we look forward to being of continued service to your organization.

Doble Engineering Company
Makia McShelly
Maria McSherry Contracts Department
A Purchase Order is/ is not required for billing.  Please attach applicable documentation.
Purchase Order/Contract No.
Billing Instructions:
APPROVED AS TO FORM: SANTA CLARA CITY ATTORNEY'S OFFICE
APPROVED AS TO FORM: SANTA CLARA CITY ATTORNEY



Prepared for: Silicon Valley Power - City of Santa Clara

Diana Shiles Silicon Valley Power - City of Santa Clara 1500 Warburton Ave. Santa Clara, CA USA

Tel: (408) 261-5292 | Email: dshiles@santaclaraca.gov

Prepared by
Lisa Lyons | Contract Specialist
Doble Engineering Company | Tel: (617) 393-3171 | Email: llyons@doble.com

March 5, 2021





# Dear Diana,

Thank you for your continued business with Doble Engineering Company.

Doble is pleased to extend the Doble Services Agreement with The City of Santa Clara for another year.

# Overview

**Doble Engineering Company** was founded on the principles of providing knowledge, technical services, and collaborative forums for the power industry. Doble's Client Community grows and strengthens thanks to the sharing of knowledge and the unparalleled service and solutions that our clients rely on to maximize the efficiency and reliability of their power systems.

Your Client Services Agreement with Doble give you access to our experienced technical specialists who serve as an extension of your own engineering department. Through expert advice, unsurpassed Client Conferences, and wide-ranging products and services, Doble can provide a unique package of benefits to help you augment your apparatus reliability programs. Some of the benefits include:

- Doble diagnostic test equipment, accessories and operating software\*
- Perpetual Equipment Warranty including 24-hour advance replacements of test equipment and test cables\*
- Option to upgrade equipment to latest product enhancements and next generation technology\*
- Expert assistance when you need it through unlimited 24/7 engineering support from Doble Principal Engineers.
- Invitation to annual International Conference of Doble Clients
- Participation in Doble Client Committees
- Customizable training
- Doble Client Regional Seminars
- Monthly Doble Webinars
- Access to DTAWeb
- Access to the Client Portal
- Annual Doble Transformer Oil Survey

Doble Engineering Company prides itself on the knowledge we offer the power industry, including forums such as client conferences and seminars, technical papers, statistically relevant data, analytical support and the expertise of our engineers and chemists. A Doble Client Services Agreement gives you access to this unparalleled knowledge and experience.

<sup>\*</sup> Benefit available as part of Client Service Agreement with Equipment Lease only. Not available for purchased equipment.



# **Annual Contract Pricing**

The current period of the agreement under which we are providing Engineering Service including the use of Doble test equipment will expire 3-31-21. We shall be pleased to extend our Agreement for another term starting 04-01-21, ending 03-31-22.

Part Number	Description	Qty	Price
C-DTA	Contract DOBLE TEST ASSISTANT, FOR M4100	1	\$2,580.00
C-M4000	Contract M4100 INSULATION ANALYZER	1	\$25,790.00
C-M5400	Contract M5400 SFRA	1	\$7,810.00
M4300	Contract: M4300 Field Transporter	1	\$320.00
		Grand Total	\$36,500.00

### Notes

All prices are in USD

Quote Validity: 4/30/2021 12:00:00 AM

Billing Terms: N30,

Shipping Terms: EXW, Marlborough, MA, 01752

Please sign the form of confirmation and acceptance below and return one executed copy to us by email to **Contracts@doble.com**. Upon full execution, this Agreement will become a binding contract.

A purchase order should be issued for record and billing purposes unless you have checked the box below that no purchase order is needed to invoice; the 'Bill to' address should be clearly noted on the order.



☐ Purchase Order Required	
Purchase Order No.	
Billing Instructions (if applicable):	
Purchase Order Not Required	
(Signature)  Deanna J. Santana (Print or Type Name)  City Manager	APPROVED AS TO FORM:  SANTA CLARA CITY ATTORNEY'S OFFICE  Digitally signed by Caio Arellano Date: 2021,03.26 11:40:31  07'00'  for Brian Doyle, City Attorney
(Title) 3   24   201	



Prepared for: Silicon Valley Power - City of Santa Clara

Diana Shiles Silicon Valley Power - City of Santa Clara 1500 Warburton Ave, CA, Santa Clara, USA Tel: (408) 261-5292 | Email: dshiles@santaclaraca.gov

Prepared by
Lisa Lyons | Contract Specialist
Doble Engineering Company | Tel: (617) 393-3171 | Email: llyons@doble.com

January 3, 2022





Dear Diana,

Thank you for your continued business with Doble Engineering Company.

Doble is pleased to extend the Doble Services Agreement with Silicon Valley Power – City of Santa Clara for another year.

# Overview

**Doble Engineering Company** was founded on the principles of providing knowledge, technical services, and collaborative forums for the power industry. Doble's Client Community grows and strengthens thanks to the sharing of knowledge and the unparalleled service and solutions that our clients rely on to maximize the efficiency and reliability of their power systems.

Your Client Services Agreement with Doble give you access to our experienced technical specialists who serve as an extension of your own engineering department. Through expert advice, unsurpassed Client Conferences, and wide-ranging products and services, Doble can provide a unique package of benefits to help you augment your apparatus reliability programs. Some of the benefits include:

- Doble diagnostic test equipment, accessories and operating software\*
- Perpetual Equipment Warranty including 24-hour advance replacements of test equipment and test cables\*
- Option to upgrade equipment to latest product enhancements and next generation technology\*
- Expert assistance when you need it through unlimited 24/7 engineering support from Doble Principal Engineers.
- Invitation to annual International Conference of Doble Clients
- · Participation in Doble Client Committees
- Customizable training
- Doble Client Regional Seminars
- Monthly Doble Webinars
- Access to DTAWeb
- · Access to the Client Portal
- Annual Doble Transformer Oil Survey

Doble Engineering Company prides itself on the knowledge we offer the power industry, including forums such as client conferences and seminars, technical papers, statistically relevant data, analytical support and the expertise of our engineers and chemists. A Doble Client Services Agreement gives you access to this unparalleled knowledge and experience.

<sup>\*</sup> Benefit available as part of Client Service Agreement with Equipment Lease only. Not available for purchased equipment.



# **Annual Contract Pricing**

The current period of the agreement under which we are providing Engineering Service including the use of Doble test equipment will expire 03-31-22. We shall be pleased to extend our Agreement for another term starting 04-01-22, ending 03-31-23.

Part Number	Description	Qty	Price
C-M4000	M4100 INSULATION ANALYZER	1	\$28,900.00
C-M5400	M5400 SFRA	1	\$7,810.00
M4300	M4300 Field Transporter	1	\$400.00
		Grand Total	\$37,110.00

### Notes

Effective October 1, 2021, Doble Engineering is now including the cost of the DTA in the unit price of the M4100. Starting with this renewal or amendment, you will no longer see a separate line item on your contract for DTA. For contracts with DTA supporting purchased equipment, a DTA part number will appear on the contract.

All prices are in USD

Quote Validity: 2/20/2022 12:00:00 AM

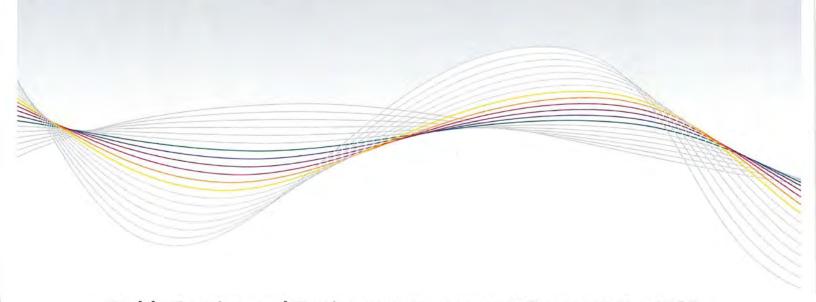
Billing Terms: N30, AIA (Annually in Advance) Shipping Terms: EXW, Marlborough, MA, 01752

Please sign the form of confirmation and acceptance below and return one executed copy to us by email to **Contracts@doble.com**. Upon full execution, this Agreement will become a binding contract.

A purchase order should be issued for record and billing purposes unless you have checked the box below that no purchase order is needed to invoice; the 'Bill to' address should be clearly noted on the order.



	] Purchase Order Required
	Purchase Order No.
	Billing Instructions (if applicable):
	Purchase Order Not Required
fv	By: Cynthia E Bojaguez Assistant City Manager (Title)  City Manager (Date)  Cynthia E Bojaguez Assistant City Manager (Signature)  Assistant City Manager (Title)
	Approved as to Form Santa Clara City Attorney's Office
	Luis M. Haro Date: 2022.02.14 11:48:46



### Doble Service and Equipment Agreement Contract No.4767 Amendment No. 4 Quote No. Q-56446

Prepared for: Silicon Valley Power - City of Santa Clara

Diana Shiles Silicon Valley Power - City of Santa Clara 1500 Warburton Ave, CA, Santa Clara, USA Tel: (408) 261-5292 | Email: dshiles@santaclaraca.gov

Prepared by
Susan Baraldi |
Doble Engineering Company | Tel: 508-556-9063 | Email: sbaraldi@doble.com

January 3, 2023





#### Dear Diana,

Thank you for your continued business with Doble Engineering Company.

Doble is pleased to extend the Doble Services Agreement dated 04-11-2019 with Silicon Valley Power — City of Santa Clara for another year.

#### Overview

**Doble Engineering Company** was founded on the principles of providing knowledge, technical services, and collaborative forums for the power industry. Doble's Client Community grows and strengthens thanks to the sharing of knowledge and the unparalleled service and solutions that our clients rely on to maximize the efficiency and reliability of their power systems.

**Your Client Services Agreement** with Doble give you access to our experienced technical specialists who serve as an extension of your own engineering department. Through expert advice, unsurpassed Client Conferences, and wide-ranging products and services, Doble can provide a unique package of benefits to help you augment your apparatus reliability programs. Some of the benefits include:

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- Expert assistance when you need it through unlimited 24/7 engineering support from Doble Principal Engineers.
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- Participation in Doble Client Committees
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- Doble Client Regional Seminars
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- Access to the Client Portal
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<sup>\*</sup> Benefit available as part of Client Service Agreement with Equipment Lease only. Not available for purchased equipment.



#### **Annual Contract Pricing**

The current period of the agreement under which we are providing Engineering Service including the use of Doble test equipment will expire 03-31-23 . We shall be pleased to extend our Agreement for another term starting 04-01-23, ending 03-31-24.

Part Number	Description	Qty	Price
M4300	Contract: M4300 Field Transporter	1	\$450.00
M4100	Contract: M4100 Automated Insulation Analyzer	1	\$29,630.00
M5400	Contract: M5400 Sweep Frequency Response Analyzer	1	\$7,810.00
		Grand Total	\$37,890.00

#### Notes

All prices are in USD

Quote Validity: 2/25/2023 12:00:00 AM

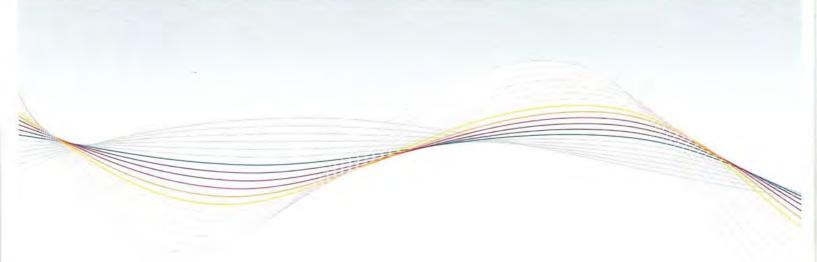
Billing Terms: N30, AIA (Annually in Advance) Shipping Terms: EXW, Marlborough, MA, 01752

Please sign the form of confirmation and acceptance below and return one executed copy to us by email to **Contracts@doble.com**. Upon full execution, this Agreement will become a binding contract.

A purchase order should be issued for record and billing purposes unless you have checked the box below that no purchase order is needed to invoice; the 'Bill to' address should be clearly noted on the order.



Purchase Order Required	
Purchase Order No.	
Billing Instructions (if applicable):	
☐ Purchase Order Not Required	
By) (Signature)  Rajeev Batra (Print or Type Name)  City Manager (Title)  (Date)	Daniel Ballin Daniel Ballin (Jan 20, 2023 15:13 P51)  Office of the City Attorney City of Santa Clara



### Doble Service and Equipment Agreement Contract No. 4767 Amendment No. 5 Quote No. Q-67717

Prepared for: Silicon Valley Power - City of Santa Clara

Diana Shiles Silicon Valley Power - City of Santa Clara 1500 Warburton Ave, Santa Clara, CA USA Tel: (408) 261-5292 | Email: dshiles@santaclaraca.gov

Prepared by
Christine Hackett | Client Support Specialist
Doble Engineering Company | Tel: (508) 250-0091 | Email: chackett@doble.com

December 29, 2023





Dear Diana,

Thank you for your continued business with Doble Engineering Company.

#### Overview

Doble Engineering Company was founded on the principles of providing knowledge, technical services, and collaborative forums for the power industry. Doble's Client Community grows and strengthens thanks to the sharing of knowledge and the unparalleled service and solutions that our clients rely on to maximize the efficiency and reliability of their power systems.

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<sup>\*</sup> Benefit available as part of Client Service Agreement with Equipment Lease only. Not available for purchased equipment.



#### **Annual Contract Pricing**

The current period of the agreement, dated 4-11-2019, between Silicon Valley Power - City of Santa Clara and Doble Engineering, under which we are providing Engineering Service including the use of Doble test equipment will expire 3-31-24. We shall be pleased to extend our Agreement for another term starting 04-01-24, ending 03-31-25.

Part Number	Description	Qty	Price
M4300	M4300 Field Transporter	1	\$480.00
M4100	M4100 Automated Insulation Analyzer (Annual Price)	1	\$30,370.00
M5400	M5400 Sweep Frequency Response Analyzer	1	\$7,810.00
		Grand Total	\$38,660.00

#### Notes

All prices are in USD

Quote Validity: 3/20/2024 12:00:00 AM Billing Terms: N30, AIA (Annually in Advance) Shipping Terms: EXW, Marlborough, MA, 01752

Please sign the form of confirmation and acceptance below and return one executed copy to us by email to **Contracts@doble.com**. Upon full execution, this Agreement will become a binding contract.

A purchase order should be issued for record and billing purposes unless you have checked the box below that no purchase order is needed to invoice; the 'Bill to' address should be clearly noted on the order.



☐ Purchase Order Required	
Purchase Order No.	
Billing Instructions (if applicable):	
☐ Purchase Order Not Required	
D	
By: (Signature)	
(Print or Type Name)	
(Title) Manager	
3 /14/24 (Date)	
Approved as to Form:	

GLEN R. GOOGINS City Attorney

City of Santa Clara, California



#### City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

#### Agenda Report

25-82 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### SUBJECT

Action on Delegation of Authority to the City Manager to Negotiate and Execute Agreement(s) and Amendment(s) with Art Alger, Inc. DBA Peninsula Crane and Rigging for As-Needed Crane Services for Silicon Valley Power and the Water and Sewer Utilities Department

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

The City of Santa Clara (City) uses operated crane and rigging services for the safe handling of heavy equipment and materials such as transformers, turbines, generators, pumps, and motors. These services are needed on an as-needed basis to support preventative maintenance, capital improvement projects, emergency response, and utility operations.

In August 2024, staff issued a Request for Proposals (RFP) for as-needed crane services to support the operational needs of Silicon Valley Power (SVP), the Water and Sewer Utilities Department, and the Public Works Department. While the RFP was issued as a single solicitation, two separate agreements will result from this process, one will be managed and used by SVP (SVP Agreement) and the other will be managed by the Water & Sewer Utilities Department (Water Agreement).

#### DISCUSSION

Pursuant to Section 2.105.140(c) of the Santa Clara City Code (City Code), a formal Request for Proposals (RFP) was conducted with the award recommendation based on "best value."

On August 22, 2024, the RFP for As-Needed Crane Services was published on the City's e-procurement system. A total of 22 companies viewed the RFP, and two proposals were received by the October 2, 2024, deadline:

- Art Alger, Inc. DBA Peninsula Crane and Rigging (Peninsula)
- West Coast Cranes, Inc.

The proposals were independently evaluated by a panel against the criteria published in the RFP. Peninsula received the highest overall scores and was selected for the award.

Prior to completing an agreement, SVP issued purchase orders to Peninsula for critical projects. These purchase orders totaled less than \$250,000, which is within the City Manager's signature authority pursuant to Section 2.105.300 of the City Code. These purchase orders are exclusive to the proposed agreement amounts discussed below.

25-82 Agenda Date: 7/8/2025

Staff is seeking City Council approval to delegate authority to the City Manager to negotiate and execute the SVP Agreement and future amendments. The proposed SVP Agreement has a maximum compensation of \$2,000,000 for a five-year term ending on July 31, 2030, with an optional one-year term extension through July 31, 2031. Based on anticipated system growth and projected future service needs, future amendments may be needed to increase the maximum compensation by up to \$500,000, for a newly revised maximum compensation of \$2,500,000 for the six-year period including the one-year option.

Separately, the Water and Sewer Utilities Department is proposing to enter into a second agreement with Peninsula under the same RFP and staff is seeking City Council approval to delegate authority to the City Manager to negotiate and execute the Water Agreement and future amendments. The Water Agreement will have the same term as the SVP Agreement, ending on July 31, 2030, with an optional one-year term extension through July 31, 2031. The proposed maximum compensation for the Water Agreement is \$350,000 for the six-year period including the one-year option.

Compensation under both agreements includes hourly labor rates based on classifications such as crane operator, rigger, foreman, and also for equipment rates such as crane, boom truck, and trailer. The contractor may request rate adjustments annually subject to the City's approval.

#### **ENVIRONMENTAL REVIEW**

Staff recommends that the City Council determine that the actions being considered are exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 of Title 14 of the California Code of Regulations as the services involve maintenance and repair of existing facilities and mechanical equipment.

#### FISCAL IMPACT

The maximum compensation for the agreement between Peninsula and SVP is not anticipated to exceed \$2,000,000, and \$350,000 for the agreement between Peninsula and the Water and Sewer Utilities Department. Sufficient funds for the SVP Agreement are available in the FY 2025/26 Adopted Budget in the Electric Utility Operating or Capital Fund depending on the specific project. Funding for the Water Agreement is available in the FY 2025/26 Storm Drain Capital Improvement Fund in the SDPS Motor and Control Maintenance, Repair, and Replacement project, which is supported by the Public Works Department and in the Public Works Department Operating Budget for the storm drain pump station facility maintenance and repair.

Funds required for future years will be requested through the regular budget process.

#### COORDINATION

The report has been coordinated with the Finance Department, the City Attorney's Office, the Electric Department - Silicon Valley Power (SVP), the Water and Sewer Utilities Department, and the Public Works Departments.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's

25-82 Agenda Date: 7/8/2025

Office at (408) 615-2220, email <u>clerk@santaclaraca.gov</u> or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

- 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15301 (Existing Facilities) of Title 14 of the California Code of Regulations;
- 2. Delegate authority to the City Manager or designee to negotiate and execute an agreement with Art Alger, Inc. DBA Peninsula Crane and Rigging for Silicon Valley Power (SVP Agreement) for a five-year term beginning on or around August 1, 2025, with a one-year option to extend the agreement term through July 31, 2031, and a maximum compensation not to exceed \$2,000,000, subject to the review and approval as to form by the City Attorney;
- 3. Delegate authority to the City Manager or designee to negotiate and execute an agreement with Art Alger, Inc. DBA Peninsula Crane and Rigging for the Water and Sewer Utilities Department (Water Agreement) for a five-year term beginning on or around August 1, 2025, with a one-year option to extend the agreement term through July 31, 2031, and a maximum compensation not to exceed \$350,000, subject to the review and approval as to form by the City Attorney; and
- 4. Authorize the City Manager or designee to take any actions as necessary to implement and administer the SVP Agreement and Water Agreement, and to negotiate and execute amendments to these agreement to: (a) add or delete services consistent with the scope of services, (b) adjust future rates based on market conditions, (c) extend the term one additional year through July 31, 2031, (d) make de minimis changes, and (e) increase the maximum compensation for the SVP Agreement up to \$500,000 for a total maximum compensation of \$2,500,000, subject to the appropriation of funds and to the review and approval as to form by the City Attorney.

Reviewed by: Nico Procos, Acting Director of Electric Utility Reviewed by: John Ramirez, Director, Water & Sewer Utilities

Approved by: Jovan D. Grogan, City Manager



#### City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

#### Agenda Report

25-476 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### SUBJECT

Action on Amendment No. 3 to Agreement with The Permanente Medical Group, Inc. for Professional Medical Services for Public Safety Employees

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### **BACKGROUND**

Since 1999, The Permanente Medical Group, Inc. (Permanente Medical Group) has provided occupational medical services for public safety employees of the Santa Clara Fire Department. These services are required to maintain compliance with Occupational Safety and Health Administration (OSHA) Standard 190.156 - Fire Brigades, OSHA Standard 1910.134 - Respiratory Protection, and National Fire Protection Association (NFPA) 1582 - Standard on Comprehensive Occupational Medical Program for Fire Departments.

The Occupational Health and Safety Services Division of the Permanente Medical Group has extensive experience and knowledge in applying and meeting these standards. Under the agreement, they provide periodic physical examinations, medical evaluations, vaccinations, and respiratory evaluations. They also conduct as-needed physical clearances for firefighter candidates. The services provided can vary year to year based on the number and the extent of on-duty injuries, staffing, and clinical indications.

The agreement with Permanente Medical Group (Attachment 1) was approved by City Council on September 12, 2017. The term of the agreement was for three years through August 31, 2020, with a not-to-exceed maximum compensation of \$334,000.

In 2019, Amendment No. 1 (Attachment 2) was executed to revise the fee schedule to reflect updates to purified protein derivative (PPD) testing and to add additional services, including physician time and QuantiFERON, a blood test for tuberculosis.

In 2020, Amendment No. 2 (Attachment 3) was approved by City Council to extend the term of the agreement for an additional five years through August 31, 2025, and to increase the maximum compensation to \$600,000.

#### DISCUSSION

The Santa Clara Fire Department continues to require occupational medical services from Permanente Medical Group to support regulatory compliance and the health and safety of its personnel. While the department primarily works with LifeScan Wellness to provide comprehensive

25-476 Agenda Date: 7/8/2025

physical exams for sworn personnel, these exams are conducted during a specific period in July. For firefighter candidates, volunteer reserves, and personnel who are unable to attend LifeScan's scheduled exams, the department relies on Permanente Medical Group to provide make-up medicals and candidate clearances. The group also provides convenient access throughout Northern California, which allows personnel to attend appointments while on-duty.

Staff recommends executing Amendment No. 3 (Attachment 4) to extend the agreement with Permanente Medical Group for an additional five years through August 31, 2030, with no increase to the not-to-exceed maximum compensation of \$600,000. The agreement is primarily used to supplement comprehensive physical exam services for sworn personnel and there is sufficient contract capacity remaining.

Additionally, Permanente Medical Group currently provides services to the City under the worker's compensation program, a separate agreement with the City. Maintaining the agreement with Permanente Medical Group ensures consistency and avoids potential disruptions in critical evaluations for firefighter personnel.

This recommendation is made under the authority of Santa Clara City Code Section 2.105.280(b)(4) which allows for an exemption from the City's purchasing requirements when a service is considered unique such that requirements for competitive procurement are contrary to public interest.

For the reasons outlined above, a competitive procurement process would not serve the City's best interest and could disrupt the efficiency and continuity of care required for safety personnel.

#### ENVIRONMENTAL REVIEW

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

#### FISCAL IMPACT

Amendment No. 3 does not increase the not-to-exceed maximum compensation amount of \$600,000. Funding to support the proposed agreement through its extended five-year term, ending August 31, 2030, is available in the Fire Operating Budget, subject to the annual appropriation of funds.

#### COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

25-476 Agenda Date: 7/8/2025

#### RECOMMENDATION

 Authorize the City Manager or designee to execute Amendment No. 3 to the agreement with The Permanente Medical Group, Inc. for Professional Medical Services to extend the term through August 31, 2030, subject to appropriation of funds and review and approval as to form by the City Attorney; and

2. Authorize the City Manager or designee to negotiate and execute future Amendments making minor modifications to the agreement and to extend the term, if needed, with no increase to the not-to-exceed maximum compensation, subject to review and approval as to form by the City Attorney.

Reviewed by: Ruben Torres, Fire Chief Approved by: Jovan Grogan, City Manager

#### **ATTACHMENTS**

- 1. Original Agreement with The Permanente Medical Group, Inc. and Agenda Item #12.B4
- 2. Amendment No. 1 to Agreement with The Permanente Medical Group, Inc.
- 3. RTC 20-563 and Amendment No. 2 to Agreement with The Permanente Medical Group, Inc.
- 4. Amendment No. 3 to Agreement with The Permanente Medical Group, Inc. DRAFT

#### AGENDA REPORT

Date: September 12, 2017

To: City Manager for Council Action

From: Fire Chief

Subject: Approval of Agreement for Performance of Services with The Permanente Medical

Group, Inc.

#### **EXECUTIVE SUMMARY**

Since 1999 the Santa Clara Fire Department has had an agreement with The Permanente Medical Group, Inc. for professional medical services for public safety employees. The Occupational Health and Safety Services Division of The Permanente Medical Group, Inc. has extensive experience and knowledge of the Occupational Safety and Health Administration (OSHA) Standard 190.156 - Fire Brigades, OSHA Standard 1910.134 - Respiratory Protection and the National Fire Protection Agency (NFPA) Standard on Comprehensive Occupational Medical Program for Fire Departments (NFPA 1582). These guidelines and standards outline the required medical services for public safety employees. The Permanente Medical Group, Inc. has been selected to continue providing these services, which include approximately 150 annual or periodic exams, evaluations or vaccinations for sworn Fire Department employees and approximately 40 members of the Volunteer Reserve Division. The Permanente Medical Group, Inc. also provides new hire physical clearances for firefighter candidates, as well as respirator evaluations for Santa Clara Police Officers mandated under OSHA Standard 1910.134. The services provided to the City each year can vary greatly based on the number and the extent of on-duty injuries, staffing and clinical indications; therefore the not to exceed amount included in the agreement is based on an average of expenditures in recent fiscal years plus an allowance for additional procedures that are frequently added due to State and Federal regulatory requirements.

#### ADVANTAGES AND DISADVANTAGES OF ISSUE

Approval of the Agreement will allow continued OSHA required medical services for public safety employees, which are critical to their health and safety and that of the citizens they serve. No disadvantages were identified.

#### ECONOMIC/FISCAL IMPACT

The estimated annual cost for public safety medical services is \$111,333 and the total cost for the three-year contract shall not exceed \$334,000. Funding is available in the Fire Department Contractual Services account (001-7822-87870).

#### RECOMMENDATION

That the Council approve and authorize the City Manager to execute a three-year Agreement for Professional Services with The Permanente Medical Group, Inc. for required public safety medical Subject: Approval of Agreement for Performance of Services with The Permanente Medical Group, Inc.

Page 2

services, in an amount not to exceed \$111,333 per fiscal year for FY 17/18, FY 18/19 and FY 19/20, and a total amount not to exceed \$334,000 subject to budget appropriations.

William G. Kelly
Fire Chief

Certified as to Availability of Funds:

001-7822-87870

\$ 111,333

APPROVED:

Angela Kraetsch Acting Director of Finance

Rajeev Batra City Manager

Documents Related to this Report:

 Agreement for the Performance of Services By and Between the City of Santa Clara, California, and The Permanente Medical Group, Inc.

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC

#### PREAMBLE

This agreement for the performance of services ("Agreement") is by and between The Permanente Medical Group, Inc., a California corporation, with its principal place of business located at 1950 Franklin Street, Oakland, CA 94612 ("Contractor"), and the City of Santa Clara, California, a chartered California municipal corporation with its primary business address at 1500 Warburton Avenue, Santa Clara, California 95050 ("City"). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

#### RECITALS

- A. City desires to secure professional services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services"; and
- B. Contractor represents that it, and its subcontractors, if any, have the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

#### AGREEMENT PROVISIONS

#### 1. RETENTION OF CONTRACTOR.

City hereby contracts with Contractor to perform services set forth in this Agreement. To accomplish that end, City may assign a Project Manager to personally direct the Services to be provided by Contractor and will notify Contractor in writing of City's choice. City shall pay for all such materials and services provided which are consistent with the terms of this Agreement.

#### 2. SERVICES TO BE PROVIDED.

Except as specified in this Agreement, Contractor shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise (collectively referred to as "Services") to satisfactorily complete the work required by City at his/her own risk and expense. Services to be provided to City are

more fully described in Exhibit A entitled "SCOPE OF SERVICES." All of the exhibits referenced in this Agreement are attached and are incorporated by this reference.

#### 3. COMMENCEMENT AND COMPLETION OF SERVICES.

- A. Contractor shall begin providing the services under the requirements of this Agreement upon receipt of written Notice to Proceed from City. Such notice shall be deemed to have occurred three (3) calendar days after it has been deposited in the regular United States mail. Contractor shall complete the Services within the time limits set forth in the Scope of Services or as mutually determined in writing by the Parties.
- B. When City determines that Contractor has satisfactorily completed the Services, City shall give Contractor written Notice of Final Acceptance. Upon receipt of such notice, Contractor shall not incur any further costs under this Agreement. Contractor may request this determination of completion be made when, in its opinion, the Services have been satisfactorily completed. If so requested by the contractor, City shall make this determination within fourteen (14) days of its receipt of such request.

#### 4. QUALIFICATIONS OF CONTRACTOR - STANDARD OF WORKMANSHIP.

Contractor represents and maintains that it has the necessary expertise in the professional calling necessary to perform services, and its duties and obligations, expressed and implied, contained herein, and City expressly relies upon Contractor's representations regarding its skills and knowledge. Contractor shall perform such services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

The plans, designs, specifications, estimates, calculations, reports and other documents furnished under Exhibit A shall be of a quality reasonably acceptable to City. The criteria for acceptance of the work provided under this Agreement shall be a product of neat appearance, well organized, that is technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by City for similar projects.

#### 5. TERM OF AGREEMENT.

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date of this Agreement and terminate on August 31, 2020.

#### 6. MONITORING OF SERVICES.

City may monitor the Services performed under this Agreement to determine whether Contractor's operation conforms to City policy and to the terms of this Agreement. City may also monitor the Services to be performed to determine whether financial operations are conducted in accord with applicable City, county, state, and federal requirements. If

any action of Contractor constitutes a breach, City may terminate this Agreement pursuant to the provisions described herein.

#### 7. WARRANTY.

Contractor expressly warrants that all materials and services covered by this Agreement shall be fit for the purpose intended, shall be free from defect, and shall conform to the specifications, requirements, and instructions upon which this Agreement is based. Contractor agrees to promptly replace or correct any incomplete, inaccurate, or defective Services at no further cost to City when defects are due to the negligence, errors or omissions of Contractor. If Contractor fails to promptly correct or replace materials or services, City may make corrections or replace materials or services and charge Contractor for the cost incurred by City.

#### 8. PERFORMANCE OF SERVICES.

Contractor shall perform all requested services in an efficient and expeditious manner and shall work closely with and be guided by City. Contractor shall be as fully responsible to City for the acts and omissions of its subcontractors, and of persons either directly or indirectly employed by them, as Contractor is for the acts and omissions of persons directly employed by it. Contractor will perform all Services in a safe manner and in accordance with all federal, state and local operation and safety regulations.

#### 9. BUSINESS TAX LICENSE REQUIRED.

Contractor must comply with Santa Clara City Code section 3.40.060, as that section may be amended from time to time or renumbered, which requires that any person who transacts or carries on any business in the City of Santa Clara pay business license tax to the City. A business tax certificate may be obtained by completing the Business Tax Affidavit Form and paying the applicable fee at the Santa Clara City Hall Municipal Services Division.

#### 10. RESPONSIBILITY OF CONTRACTOR.

Contractor shall be responsible for the professional quality, technical accuracy and coordination of the Services furnished by it under this Agreement. Neither City's review, acceptance, nor payments for any of the Services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement and Contractor shall be and remain liable to City in accordance with applicable law for all damages to City caused by Contractor negligent performance of any of the Services furnished under this Agreement.

Any acceptance by City of plans, specifications, construction contract documents, reports, diagrams, maps and other material prepared by Contractor shall not in any respect absolve Contractor from the responsibility Contractor has in accordance with customary standards of good professional practice in compliance with applicable federal, state, county, and/or municipal laws, ordinances, regulations, rules and orders.

#### 11. COMPENSATION AND PAYMENT.

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and services rendered by Contractor at the rate per hour for labor and cost per unit for materials as outlined in Exhibit B, entitled "SCHEDULE OF FEES."

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month, subject to verification by City. City will pay Contractor within thirty (30) days of City's receipt of invoice.

#### 12. TERMINATION OF AGREEMENT.

Either Party may terminate this Agreement without cause by giving the other Party written notice ("Notice of Termination") which clearly expresses that Party's intent to terminate the Agreement. Notice of Termination shall become effective no less than thirty (30) calendar days after a Party receives such notice. After either Party terminates the Agreement, Contractor shall discontinue further services as of the effective date of termination, and City shall pay Contractor for all Services satisfactorily performed up to such date.

#### 13. NO ASSIGNMENT OR SUBCONTRACTING OF AGREEMENT.

City and Contractor bind themselves, their successors and assigns to all covenants of this Agreement. This Agreement shall not be assigned or transferred without the prior written approval of City. Contractor shall not hire subcontractors without express written permission from City.

#### 14. NO THIRD PARTY BENEFICIARY.

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

#### 15. INDEPENDENT CONTRACTOR.

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Contractor has full rights, however, to manage its employees in their performance of Services under this Agreement. Contractor is not authorized to bind City to any contracts or other obligations.

#### NO PLEDGING OF CITY'S CREDIT.

Under no circumstances shall Contractor have the authority or power to pledge the credit of City or incur any obligation in the name of City. Contractor shall save and hold harmless the City, its City Council, its officers, employees, boards and commissions for expenses arising out of any unauthorized pledges of City's credit by Contractor under this Agreement.

#### 17. CONFIDENTIALITY OF MATERIAL.

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential. Notwithstanding the foregoing, this Paragraph 17 shall not apply to medical records, Contractor shall retain all rights and title to such medical records, and Contractor may use any medical record created or modified by Consultant in connection with its provision of Services hereunder in any manner it desires subject to applicable law, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPPA).

#### 18. USE OF CITY NAME OR EMBLEM.

Contractor shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

#### 19. OWNERSHIP OF MATERIAL.

All material, including information developed on computer(s), which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports and other material developed, collected, prepared or caused to be prepared under this Agreement shall be the property of City but Contractor may retain and use copies thereof. City shall not be limited in any way or at any time in its use of said material. However, Contractor shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to, the release of this material to third parties. Notwithstanding the foregoing, this Paragraph 19 shall not apply to medical records and any medical record created or modified by Contractor in connection with its provision of Services hereunder shall not be considered work product developed, collected, prepared or caused to be prepared by Contractor in the performance of this Agreement. Contractor shall retain all rights and title to such medical records, subject to applicable law, including but not limited to HIPPA.

#### 20. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR.

City, through its authorized employees, representatives or agents shall have the right during the term of this Agreement and for three (3) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City.

Contractor shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Contractor agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Contractor's Services hereunder.

#### 21. CORRECTION OF SERVICES.

Contractor agrees to correct any incomplete, inaccurate or defective Services at no further costs to City, when such defects are due to the negligence, errors or omissions of Contractor.

#### 22. FAIR EMPLOYMENT.

Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, gender, sexual orientation, age, disability, religion, ethnic background, or marital status, in violation of state or federal law.

#### 23. HOLD HARMLESS/INDEMNIFICATION.

To the extent permitted by law, Contractor agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, for which City shall become liable arising from Contractor's negligent acts or willful misconduct with respect to or in any way connected with the Services performed by Contractor pursuant to this Agreement, but excluding: (1) liabilities due to the sole negligence or willful misconduct of City, its City Council, commissions, officers, employees, volunteers and agents, and (2) any liability arising as a result of an employment-related dispute (including but not limited to a lawsuit by an employee of City for employment discrimination based on results of Contractor's Services, a lawsuit by an employee of City alleging breach of an employment statute or regulation, etc.).

#### 24. INSURANCE REQUIREMENTS.

During the term of this Agreement, and for any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to City insurance policies with respect to employees and vehicles assigned to the Performance of Services under this Agreement with coverage amounts, required endorsements, certificates of insurance, and coverage verifications as defined in Exhibit C. Notwithstanding any other provision of this Agreement, including but not limited to those contained in this section and Exhibit C, Contractor, in lieu of any insurance requirements contained herein, may fulfill such insurance obligations through its alternative risk management programs, including self insurance, and City consents to such self insurance and agrees that, in such case, Contractor cannot provide endorsements or report deductibles, or self-insured retentions, or other requirements that are inconsistent with a program of self insurance. Contractor's fulfillment of the insurance requirements through alternate risk management programs shall not constitute a breach of this Agreement.

#### 25. AMENDMENTS.

This Agreement may be amended only with the written consent of both Parties.

#### 26. INTEGRATED DOCUMENT.

This Agreement represents the entire agreement between City and Contractor. No other understanding, agreements, conversations, or otherwise, with any representative of City prior to execution of this Agreement shall affect or modify any of the terms or obligations of this Agreement. Any verbal agreement shall be considered unofficial information and is not binding upon City.

#### 27. SEVERABILITY CLAUSE.

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.

#### 28. WAIVER.

Contractor agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

#### 29. NOTICES.

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara Attention: Fire Department 1500 Warburton Avenue Santa Clara, California 95050 or by facsimile at (408) 246-8652

And to Contractor addressed as follows:

Attention: Sales Manager
Kaiser Permanente
Occupational Health Sales and Account Management
1800 Harrison Street, 9th Floor
Oakland, CA 94612
or by facsimile at (510) 625-3656

If notice is sent via facsimile, a signed, hard copy of the material shall also be mailed. The workday the facsimile was sent shall control the date notice was deemed given if there is a facsimile machine generated document on the date of transmission. A facsimile transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following Monday.

#### 30. CAPTIONS.

The captions of the various sections, paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

#### 31. LAW GOVERNING CONTRACT AND VENUE.

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

#### 32. DISPUTE RESOLUTION.

- A. Unless otherwise mutually agreed to by the Parties, any controversies between Contractor and City regarding the construction or application of this Agreement, and claims arising out of this Agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after the service of that request on the other Party.
- B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request the Superior Court of Santa Clara County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The Parties may agree to extend the time allowed for mediation under this Agreement.
- C. The costs of mediation shall be borne by the Parties equally.
- D. For any contract dispute, mediation under this section is a condition precedent to filing an action in any court. In the event of mediation which arises out of any dispute related to this Agreement, the Parties shall each pay their respective attorney's fees, expert witness costs and cost of suit through mediation only. If mediation does not resolve the dispute, the Parties agree that the matter shall be litigated in a court of law, and not subject to the arbitration provisions of the Public Contracts Code.

#### 33. COMPLIANCE WITH ETHICAL STANDARDS.

#### Contractor shall:

- A. Read Exhibit D, entitled "ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA"; and,
- B. Execute Exhibit E, entitled "AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS."

#### 34. AFFORDABLE CARE ACT OBLIGATIONS

To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

#### 35. CONFLICT OF INTERESTS.

This Agreement does not prevent either Party from entering into similar agreements with other parties. To prevent a conflict of interest, Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code Section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

#### CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

APPROVED AS TO FORM:

BRIAN DOYLE

Interim City Attorney

ATTEST:

ROD DIRIDON, JR. City Clerk

Dated:

City Manager

1500 Warburton Avenue

Santa Clara, CA 95050

Telephone:

(408) 615-2210

Fax:

(408) 241-6771

"CITY"

THE PERMANENTE MEDICAL GROUP, INC.

\*choose one: corporation/partnership/individual

Dated:

By:

(Signature of Person executing the Agreement on behalf of Contractor)

Name: Constance C. Chiulli on behalf of Roman Kownacki, MD, MPH

Title: Constance C. Chiulli: Regional Director, Occupational Health Service Line

Roman Kownacki, MD, MPH: Medical Director, Regional Occupational Health -

Northern California

Local

1800 Harrison St. 21st Floor, Oakland, CA 94612

Address:

Email Connie.Chiulli@kp.org

Address: Roman.Kownacki@kp.org

Telephone:

(510) 625-3306 - Constance C. Chiulli

(510) 625-7175 - Roman Kownacki, MD, MPH

Fax: (510) 625-3037

"CONTRACTOR"

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# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC

### EXHIBIT A

#### SCOPE OF SERVICES

- 1

The Services to be performed for the City by the Contractor under this Agreement and shall be provided according to the following terms:

If City is requesting a health screening/physical examination of a job applicant or employee, the City will provide to the Contractor detailed information concerning the physical requirements for performing the job at issue. This information should include a written job description, including physical and mental requirements and environmental conditions. The examination and any medical conclusions will be based on the information furnished by the City and the physician's general understanding of the requirements of the jobs of similar nature. Contractor conducts such examinations with the city's assurances that the examination and city's medical inquiries are job related and consistent with the business needs of the City, and otherwise comply with all applicable legal obligations.

Based on its health screening/physical examination of a job applicant/employee, Contractor will advise City of the following:

a)the applicant/employee's physical limitations, if any, and the specific job tasks that cannot be performed and/or environmental conditions, if any, that are related to any risk to heal and safety, and, b) changes that may be made to permit the job tasks to be performed and/or eliminate /reduce the risk. Contractor will make no determination of whether job tasks are essential to the position in question. Any changes that are recommended are advisory only, based on the physician's general understanding of the job and environment in question, and are not intended to supplant the right of the City to determine what modifications are available and reasonable.

To the extent that other conditions are identified, Contractor will also: a) notify the employee/applicant of any medical condition, identified during the limited medical evaluation that the City request, that the Contractor believes requires further attention, and recommend that the employee/applicant seek care from his or her personal provider, therefore encouraging health and wellness, leading to a more productive workforce, and b) upon authorization of the employee/applicant, Contractor will inform his or his personal medical provider by transmitting copies of the medical records created during the visit.

Contractor will maintain a medical records for each individual that will contain records of employer requested services, in addition to past, present and future services requested by the employee/applicant.

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE GROUP, INC.

#### **EXHIBIT B**

#### FEE SCHEDULE

Consultant shall provide a schedule of rates and fees which includes all billing amounts and costs as follows (if applicable), such as:

### OCCUPATIONAL HEALTH AND SAFETY SERVICES TO BE PROVIDED TO THE CITY OF SANTA CLARA FIRE DEPARTMENT.

FIREFIGI	HTER PREPLACEMENT EXAM (FFPP)	
300398	Firefighter Physical Exam	\$95.00
92552	Audiogram, screening	\$30.00
94010	Spirometry	\$35.00
300422	PPD, 2 step, 2 placements and readings (no charge to current KP HP members)	\$30.00
71020	Chest X-Ray, 2 views (baseline)	\$65.00
85025	CBC with automated differential	\$15.00
80053	Chem Comprehensive Panel	\$35.00
86704	Titer: Hepatitis B Core Antibody, HBcAb	\$31.00
86803	Titer: Hepatitis C	\$45.00
86708	Hepatitis A IgG Antibody, HAAb (titer)	\$40.00
86706	Hepatitis B Surface antibody, HBSAb	\$31.00

36415	Venipuncture	\$15.00
93000	EKG, resting -and-	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
300420	Drug Screen Preferred Alliance "Quick Test"	Billed by Preferred Alliance
300413	Form completion (2 or more pages for DMV/DOT Exam)	\$25.00
As Clinical	lly Indicated:	
90746	Vaccine: Hepatitis B (series of 3 injections) (no charge to current KP HP members)	\$94.00/injection
90632	Vaccine: Hepatitis A (series of 2 injections)	\$96.00/injection
90707	Vaccine: MMR injection (series of 2 injections, if indicated)	\$76.00/injection
90716	Vaccine: Varivax (chickenpox)(series of 2 injections if indicated)	\$132.00/injection
90715	Vaccine: Tdap (tetanus, diphtheria, pertussis)	\$63.00
90713	Vaccine: Polio (eiPV) if no prior vaccination	\$40.00
90658	Vaccine: Influenza (when seasonally available)	\$20.00
86580	PPD, one placement and one reading (no charge to current KP HP members)	\$20.00
71010	Chest X-Ray for positive PPD (1 view)	\$55.00
81001	Urinalysis with microscopic (if abnormal UA dipstick)	\$15.00
86735	Titer: Mumps antibody screen	\$35.00
86762	Titer: Rubella antibody screen	\$35.00
86765	Titer: Rubeola antibody screen	\$35.00
86787	Titer: Varicella antibody screen	\$35.00

FIREFIGI	HTER-ANNUAL OR PERIODIC (FFANN)	
300398	Firefighter Physical Exam	\$95.00
92552	Audiogram, screening	\$30.00
94010	Spirometry	\$35.00
86580	PPD, PLACEMENT AND READING (no charge to current KP HP members)	\$20.00
85025	CBC with automated differential	\$15.00
80053	Chem. Comprehensive Panel	\$35.00
36415	Venipuncture	\$15.00
93000	EKG Resting –AND-	\$50.00
93015	Cardiac Stress Test with Treadmill (males 45+ or females 55+ with 2 or more NFPA risk factors) -NFPA and Wellness	\$230.00
300413	Form completion (2 or more pages for DMV/DOT Exam)	\$25.00
As Clinical	lly Indicated:	
71010	Chest X-Ray for positive PPD (1 view)	\$55.00
71020	Chest X-Ray for positive PPD + symptoms (2 views) (or baseline and @ every 5 years)	\$65.00
81001	Urinalysis with microscopic (if abnormal UA dipstick)	\$15.00
82274	Fecal Immunochemical Test (40+ or as clinically indicated- can be done by personal physician) -NFPA and Wellness	\$30.00
84152	PSA for males; prostate specific antigen	\$53.00

90746	Vaccine: Hepatitis B (series of 3 injections, if indicated or declination) (no charge to current KP HP members)	\$94.00/injection
90632	Vaccine: Hepatitis A (series of 2 injections)	\$96.00/injection
90713	Vaccine: Polio (eiPV) if no prior vaccination	\$40.00
90715	Vaccine: Tdap (tetanus, diphtheria, pertussis)	\$63.00
90707	Vaccine: MMR injection (series of 2 injections, if indicated)	\$76.00/injection
90716	Vaccine: Varivax (chickenpox)(series of 2 injections if indicated)	\$132.00/injection
86735	Titer: Mumps antibody screen	\$35.00
86762	Titer: Rubella antibody screen	\$35.00
86765	Titer: Rubeola antibody screen	\$35.00
86787	Titer: Varicella antibody screen	\$35.00

FITNESS I	FOR DUTY/RETURN TO WORK (FFD/RTW)	
300397	Fitness for Duty Physical Exam, initial	\$95.00
As Clinical	ly Indicated:	
300408	Physician Consultation; each additional 15 minutes	\$60.00

VACCINATION ONLY (VAX)			
90707	Vaccine: MMR injection (if indicated)	\$76.00/injection	
90716	Vaccine: Varivax (chickenpox)(if indicated)	\$132.00/injection	
90746	Vaccine: Hepatitis B (series of 3 injections) (no charge to current KP HP members)	\$94.00/injection	
90658	Influenza vaccine injection, as vaccine is available, (no charge to current KP HP members)	\$20.00	
90715	Vaccine: Tdap	\$63.00	
90713	Polio vaccine injection	\$40.00	
90632	Hepatitis A vaccine (Havarix), per injection (series of 2)	\$96.00	

300415	Review of Respirator Questionnaire by MD/NP/RN	\$35.00
As Clinica	lly Indicated:	. [
71020	Chest X-Ray (2 views)	\$65.00
300391	Respirator Physical Exam	\$60.00
93000	EKG Resting	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
94010	Spirometry	\$35.00
300408	Physician Consultation; each 15 minutes	\$60.00

DMV/DO	TEXAM (DMV)	
300390	DMV/DOT Physical Exam	\$115.00

In no event shall the amount billed to City by Contractor for services under this Agreement exceed three hundred thirty four thousand dollars (\$334,000) for the term of this Agreement, subject to budget appropriations.

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC.

#### **EXHIBIT C**

#### INSURANCE REQUIREMENTS

#### INSURANCE COVERAGE REQUIREMENTS

Without limiting the Contractor's indemnification of the City, and prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

#### COMMERCIAL GENERAL LIABILITY INSURANCE

Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Aggregate \$1,000,000 Personal Injury

Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.

The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:

Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;

There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and

Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.

#### BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of two million dollars (\$2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

#### WORKERS' COMPENSATION

- Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
- The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).

This policy must include a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

#### COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

- Additional Insureds. City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
- <u>Primary and non-contributing</u>. Each insurance policy provided by Contractor shall contain language or be endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the

Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.

#### Cancellation.

Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided due to non-payment of premiums shall be effective until written notice has been given to City at least ten (10) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least ten (10) days prior to the effective date of non-renewal.

Each insurance policy shall contain language or be endorsed to reflect that no cancellation or modification of the coverage provided for any cause save and except non-payment of premiums shall be effective until written notice has been given to City at least thirty (30) days prior to the effective date of such modification or cancellation. In the event of non-renewal, written notice shall be given at least thirty (30) days prior to the effective date of non-renewal.

Other Endorsements. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

#### ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

Contractor agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.

Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

## EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

# **EVIDENCE OF COMPLIANCE**

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its representative as set forth below, at or prior to execution of this Agreement. Upon City's request, Contractor shall submit to City copies of the actual insurance policies or renewals or replacements. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to:

EBIX Inc.

City of Santa Clara [\*insert City department name here]

P.O. Box 100085 – S2 or 1 Ebix Way

Duluth, GA 30096 John's Creek, GA 30097

Telephone number: 951-766-2280 Fax number: 770-325-0409

Email address: ctsantaclara@ebix.com

# QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A- VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.

S:\Attorney\INSURANCE\CITY\EXHIBIT C-02 Contract over \$50,000 limited exposure.doc

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC.

### EXHIBIT D

# ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA

# Termination of Agreement for Certain Acts.

- A. The City may, at its sole discretion, terminate this Agreement in the event any one or more of the following occurs:
  - If a Contractor does any of the following:
    - a. Is convicted<sup>2</sup> of operating a business in violation of any Federal, State or local law or regulation;
    - b. Is convicted of a crime punishable as a felony involving dishonesty<sup>3</sup>;
    - Is convicted of an offense involving dishonesty or is convicted of fraud or a criminal offense in connection with: (1) obtaining; (2) attempting to obtain; or, (3) performing a public contract or subcontract;
    - d. Is convicted of any offense which indicates a lack of business integrity or business honesty which seriously and directly affects the present responsibility of a City contractor or subcontractor; and/or,
    - e. Made (or makes) any false statement(s) or representation(s) with respect to this Agreement.

For purposes of this Agreement, the word "Consultant" (whether a person or a legal entity) also refers to "Contractor" and means any of the following: an owner or co-owner of a sole proprietorship; a person who controls or who has the power to control a business entity; a general partner of a partnership; a principal in a joint venture; or a primary corporate stockholder [i.e., a person who owns more than ten percent (10%) of the outstanding stock of a corporation] and who is active in the day to day operations of that corporation.

For purposes of this Agreement, the words "convicted" or "conviction" mean a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere within the past five (5) years.

As used herein, "dishonesty" includes, but is not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, failure to pay tax obligations, receiving stolen property, collusion or conspiracy.

- 2. If fraudulent, criminal or other seriously improper conduct of any officer, director, shareholder, partner, employee or other individual associated with the Contractor can be imputed to the Contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of the Contractor, with the Contractor's knowledge, approval or acquiescence, the Contractor's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.
- B. The City may also terminate this Agreement in the event any one or more of the following occurs:
  - The City determines that Contractor no longer has the financial capability<sup>4</sup> or business experience<sup>5</sup> to perform the terms of, or operate under, this Agreement; or,
  - 2. If City determines that the Contractor fails to submit information, or submits false information, which is required to perform or be awarded a contract with City, including, but not limited to, Contractor's failure to maintain a required State issued license, failure to obtain a City business license (if applicable) or failure to provide and maintain bonds and/or insurance policies required under this Agreement.
- C. In the event a prospective Contractor (or bidder) is ruled ineligible (debarred) to participate in a contract award process or a contract is terminated pursuant to these provisions, Contractor may appeal the City's action to the City Council by filing a written request with the City Clerk within ten (10) days of the notice given by City to have the matter heard. The matter will be heard within thirty (30) days of the filing of the appeal request with the City Clerk. The Contractor will have the burden of proof on the appeal. The Contractor shall have the opportunity to present evidence, both oral and documentary, and argument.

Contractor becomes insolvent, transfers assets in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or chapter of the federal Bankruptcy Code (11 U.S.C.), as amended, or under any similar law or statute of the United States or any state thereof, is adjudged bankrupt or insolvent in proceedings under such laws, or a receiver or trustee is appointed for all or substantially all of the assets of Contractor.

Loss of personnel deemed essential by the City for the successful performance of the obligations of the Contractor to the City.

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC.

## **EXHIBIT E**

# AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS

I hereby state that I have read and understand the language, entitled "Ethical Standards" set forth in Exhibit D. I have the authority to make these representations on my own behalf or on behalf of the legal entity identified herein. I have examined appropriate business records, and I have made appropriate inquiry of those individuals potentially included within the definition of "Contractor" contained in Ethical Standards at footnote 1.

Based on my review of the appropriate documents and my good-faith review of the necessary inquiry responses, I hereby state that neither the business entity nor any individual(s) belonging to said "Contractor" category [i.e., owner or co-owner of a sole proprietorship, general partner, person who controls or has power to control a business entity, etc.] has been convicted of any one or more of the crimes identified in the Ethical Standards within the past five (5) years.

The above assertions are true and correct and are made under penalty of perjury under the laws of the State of California.

# THE PERMANENTE MEDICAL GROUP, INC Corporation

By:	Constance C. Chull.	
	Signature of Authorized Person or Representative	
Name:	Constance C. Chiulli on behalf of Roman Kownacki, MD, MPH	
Title:	Constance C. Chiulli: Regional Director, Occupational Health Service Line Dr. Roman Kownacki: Medical Director, Regional Occupational Health - Northern California	

# NOTARY'S ACKNOWLEDGMENT TO BE ATTACHED

Please execute the affidavit and attach a notary public's acknowledgment of execution of the affidavit by the signatory. If the affidavit is on behalf of a corporation, partnership, or other legal entity, the entity's complete legal name and the title of the person signing on behalf of the legal entity shall appear above. Written evidence of the authority of the person executing this affidavit on behalf of a corporation, partnership, joint venture, or any other legal entity, other than a sole proprietorship, shall be attached.

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 Alamec personally appeared Name(s) of Signer(s) 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 COLLEEN DAHLE-HONG is true and correct. Commission No. 2207061 WITNESS my hand and official seal. NOTARY PUBLIC-CALIFORNIA ALAMEDA COUNTY Comm. Expires AUGUST 22, 2021 Signature of Notary Public Place Notary Seal Above **OPTIONAL** Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document. **Description of Attached Document** Title or Type of Document: Signer(s) Other Than Named Above: Number of Pages: Capacity(ies) Claimed by Signer(s) Signer's Name: Signer's Name: □ Corporate Officer — Title(s): □ Corporate Officer — Title(s): ☐ Partner — ☐ Limited ☐ General □ Partner - □ Limited □ General ☐ Individual ☐ Attorney in Fact ☐ Individual ☐ Attorney in Fact ☐ Guardian or Conservator ☐ Trustee ☐ Guardian or Conservator ☐ Trustee ☐ Other: ☐ Other: Signer Is Representing: Signer Is Representing:

# AMENDMENT NO. 1 TO THE AGREEMENT FOR SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC.

#### PREAMBLE

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and The Permanente Medical Group, Inc., a California corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

#### RECITALS

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and Between the City of Santa Clara, California and the Permanente Medical Group, Inc.", dated September 14, 2017 (the "Original Agreement"); and
- B. The Parties entered into the Original Agreement for the purpose of having Contractor provide professional medical services for public safety employees, and the Parties now wish to amend the Original Agreement to replace Exhibit B "Fee Schedule," to reflect alteration to PPD testing, addition of physician consultation time, and addition of QuantiFERON testing.

The Parties agree as follows:

#### AGREEMENT TERMS AND CONDITIONS

## 1. AMENDMENT TERMS AND CONDITIONS

Exhibit B "Fee Schedule" of the Original Agreement, is hereby deleted in its entirety and replaced with a new Exhibit B in the form attached hereto as "Exhibit B First Amended Fee Schedule."

#### 2. TERMS

All other terms of the Original Agreement which are not in conflict with the provisions of this Amendment No. 1 shall remain unchanged in full force and effect. In case of a conflict in the terms of the Original Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

Amendment No. 1 to Agreement/The Permanente Medical Group, Inc. Rev. 09/13/2019

#### 3. COUNTERPARTS

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

# CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

APPROVED AS TO FORM:

oproved as to Form:

ity Attorney

11-18-19 Dated:

DEANNA J. SANTANA

City Manager

1500 Warburton Avenue Santa Clara, CA 95050 Telephone: (408) 615-2210

Fax: (408) 241-6771

"CITY"

# THE PERMANENTE MEDICAL GROUP, INC.

a California corporation

Dated:

By (Signature):

Name: Lavanya Kailar, MD, MPH

Medical Director, KPOJ Occupational Health and Safety

Title: Services - NCAL

Occupational Health Sales and Account

Management

1800 Harrison Street, 9th Floor

Principal Place of

Oakland, CA 94612

Business Address:

Attention: Sales Manager

"CONTRACTOR"

# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE GROUP, INC.

# **EXHIBIT B**

# FIRST AMENDED FEE SCHEDULE

Consultant shall provide a schedule of rates and fees which includes all billing amounts and costs as follows (if applicable), such as:

# OCCUPATIONAL HEALTH AND SAFETY SERVICES TO BE PROVIDED TO THE CITY OF SANTA CLARA FIRE DEPARTMENT.

300398	Firefighter Physical Exam	\$95.00
92552	Audiogram, screening	\$30.00
94010	Spirometry	\$35.00
300422	PPD, 2 step, 2 placements and readings (no charge to current KP HP members) -OR-	\$30.00
86480	QuantiFERON	\$127.00
71045	Chest X-Ray, 2 views (baseline)	\$65.00
85025	CBC with automated differential	\$15.00
80053	Chem Comprehensive Panel	\$35.00
86704	Titer: Hepatitis B Core Antibody, HBcAb	\$31.00
86803	Titer: Hepatitis C	\$45.00
86708	Hepatitis A IgG Antibody, HAAb (titer)	\$40.00
86706	Hepatitis B Surface antibody, HBSAb	\$31.00
36415	Venipuncture	\$15.00

Amendment No. 1 to Agreement/The Permanente Medical Group, Inc. Rev. 09/13/2019

93000	EKG, resting -and-	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
300420	Drug Screen Preferred Alliance "Quick Test"	Billed by Preferred Alliance
300413	Form completion (2 or more pages for DMV/DOT Exam)	\$25.00
As Clinical	ly Indicated:	
90746	Vaccine: Hepatitis B (series of 3 injections) (no charge to current KP HP members)	\$94.00/injection
90632	Vaccine: Hepatitis A (series of 2 injections)	\$96.00/injection
90707	Vaccine: MMR injection (series of 2 injections, if indicated)	\$76.00/injection
90716	Vaccine: Varivax (chickenpox)(series of 2 injections if indicated)	\$132.00/injection
90715	Vaccine: Tdap (tetanus, diphtheria, pertussis)	\$63.00
90713	Vaccine: Polio (eiPV) if no prior vaccination	\$40.00
90658	Vaccine: Influenza (when seasonally available)	\$20.00
86580	PPD, one placement and one reading (no charge to current KP HP members)	\$20.00
71045	Chest X-Ray for positive PPD (1 view)	\$55.00
81001	Urinalysis with microscopic (if abnormal UA dipstick)	\$15.00
86735	Titer: Mumps antibody screen	\$35.00
86762	Titer: Rubella antibody screen	\$35.00
86765	Titer: Rubeola antibody screen	\$35.00
86787	Titer: Varicella antibody screen	\$35.00
300408	Physician Consultation; each additional 15 minutes	\$60.00

300398	Firefighter Physical Exam	\$95.00
92552	Audiogram, screening	\$30.00
94010	Spirometry	\$35.00
86480	QuantiFERON Testing	\$127.00
85025	CBC with automated differential	\$15.00
80053	Chem. Comprehensive Panel	\$35.00
36415	Venipuncture	\$15.00
93000	EKG Resting –AND-	\$50.00
93015	Cardiac Stress Test with Treadmill (males 45+ or females 55+ with 2 or more NFPA risk factors) -NFPA and Wellness	\$230.00
300413	Form completion (2 or more pages for DMV/DOT Exam)	\$25.00
As Clinica	lly Indicated:	
71045	Chest X-Ray for positive PPD (1 view)	\$55.00
71046	Chest X-Ray for positive PPD + symptoms (2 views) (or baseline and @ every 5 years)	\$65.00
81001	Urinalysis with microscopic (if abnormal UA dipstick)	\$15.00
82274	Fecal Immunochemical Test (40+ or as clinically indicated- can be done by personal physician) -NFPA and Wellness	\$30.00
84152	PSA for males; prostate specific antigen	\$53.00
86580	PPD, one placement and one reading (no charge to current KP HP members)	\$20.00
90746	Vaccine: Hepatitis B (series of 3 injections, if indicated or declination) (no charge to current KP HP members)	\$94.00/injection
90632	Vaccine: Hepatitis A (series of 2 injections)	\$96.00/injection

Amendment No. 1 to Agreement/The Permanente Medical Group, Inc. Rev. 09/13/2019

90713	Vaccine: Polio (eiPV) if no prior vaccination	\$40.00
90715	Vaccine: Tdap (tetanus, diphtheria, pertussis)	\$63.00
90707	Vaccine: MMR injection (series of 2 injections, if indicated)	\$76.00/injection
90716	Vaccine: Varivax (chickenpox)(series of 2 injections if indicated)	\$132.00/injection
86735	Titer: Mumps antibody screen	\$35.00
86762	Titer: Rubella antibody screen	\$35.00
86765	Titer: Rubeola antibody screen	\$35.00
86787	Titer: Varicella antibody screen	\$35.00
300408	Physician Consultation; each additional 15 minutes	\$60.00
300397	Fitness for Duty Physical Exam, initial	\$95.00
As Clinica	lly Indicated:	T
300408	Physician Consultation; each additional 15 minutes	\$60.00
VACCINA	ATION ONLY (VAX)	
		1
90707	Vaccine: MMR injection (if indicated)	\$76.00/injection
90707 90716	Vaccine: MMR injection (if indicated)  Vaccine: Varivax (chickenpox)(if indicated)	
90716	Vaccine: Varivax (chickenpox)(if indicated)  Vaccine: Hepatitis B (series of 3 injections) (no charge	\$132.00/injection
90716 90746	Vaccine: Varivax (chickenpox)(if indicated)  Vaccine: Hepatitis B (series of 3 injections) (no charge to current KP HP members)  Influenza vaccine injection, as vaccine is available, (no	\$132.00/injection \$94.00/injection
90716 90746 90658	Vaccine: Varivax (chickenpox)(if indicated)  Vaccine: Hepatitis B (series of 3 injections) (no charge to current KP HP members)  Influenza vaccine injection, as vaccine is available, (no charge to current KP HP members)	\$132.00/injection \$94.00/injection \$20.00

RESPIRA	TOR MEDICAL EVALUATION- BASELINE/ ANNUA	L (RESP)
300415	Review of Respirator Questionnaire by MD/NP/RN	\$35.00
As Clinica	lly Indicated:	
71020	Chest X-Ray (2 views)	\$65.00
300391	Respirator Physical Exam	\$60.00
93000	EKG Resting	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
94010	Spirometry	\$35.00
300408	Physician Consultation; each 15 minutes	\$60.00
DMV/DOT	EXAM (DMV)	
300390	DMV/DOT Physical Exam	\$115.00

In no event shall the amount billed to City by Contractor for services under this Agreement exceed three hundred thirty-four thousand dollars (\$334,000) for the term of this Agreement, subject to budget appropriations.



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

20-563 Agenda Date: 8/18/2020

# REPORT TO COUNCIL

# SUBJECT

Action on Amendment No. 2 to the Agreement for Performance of Services with The Permanente Medical Group, Inc. [Council Pillar: Deliver and Enhance High Quality Efficient Services and Infrastructure]

# **BACKGROUND**

Since 1999 the Santa Clara Fire Department has had an agreement with The Permanente Medical Group, Inc. for professional medical services for public safety employees. The Occupational Health and Safety Services Division of the Permanente Medical Group, Inc. has extensive experience and knowledge of the Occupational Safety and Health Administration (OSHA) Standard 190.156 - Fire Brigades, OSHA Standard 1910.134 - Respiratory Protection, and the National Fire Protection Agency (NFPA) Standard on Comprehensive Occupational Medical Program for Fire Departments (NFPA 1582). These guidelines and standards outline the required medical services for public safety employees.

The Permanente Medical Group, Inc. has been providing services, which include approximately 150 annual or periodic physical exams, evaluations, vaccinations, as well as respirator evaluations, mandated under OSHA Standard 1910.134, for sworn Fire Department employees and members of the Volunteer Reserve Division. In addition, The Permanente Medical Group, Inc. also provides new hire physical clearances for firefighter candidates. The services provided to the City each year can vary greatly based on the number and the extent of on-duty injuries, staffing, and clinical indications; therefore, the not-to-exceed amount included in the agreement is based on an average of expenditures in recent fiscal years plus an allowance for additional procedures that are frequently added due to State and Federal regulatory requirements.

# **DISCUSSION**

The original agreement was for a three-year term ending on August 31, 2020. Kaiser has agreed to lock in current rates for five years, therefore staff recommends extending the agreement by five years, ending on August 31, 2025 and increasing maximum compensation by \$266,000 for a revised maximum compensation of \$600,000. The maximum compensation amount is an estimate based on the anticipated usage of services over the life of the agreement.

The services provided by The Permanente Medical Group, Inc. are specialized services from licensed professionals. This recommendation meets the competitive proposal exception in Section 2.105.330 (e)(1) of the City Code, which states "Regardless of contract value, competitive proposals are encouraged but not required for contracts for specialized services from licensed professionals

## **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California

20-563 Agenda Date: 8/18/2020

Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5), in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes to the environment.

# FISCAL IMPACT

Amendment No. 2 extends the term of the agreement by five years ending on August 31, 2025 and increases the maximum compensation by \$266,000 for a revised not-to-exceed maximum compensation of \$600,000, subject to the appropriation of funds. Annual funding is included in the Fire Department's General Fund operating budget for this service.

# COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

# PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a> <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a>.

# RECOMMENDATION

- 1. Authorize the City Manager to execute Amendment No. 2 to the Agreement with The Permanente Medical Group, Inc. for Professional Medical Services for Public Safety Employees to increase the amount of the agreement by \$266,000 and to extend the term of the agreement through August 31, 2025 for a revised not-to-exceed maximum compensation of \$600,000; and
- 2. Authorize the City Manager to execute amendments over the term of the agreement in the event that the demand for services is greater than anticipated, or additional services are required, subject to the same terms and conditions of the Agreement and the appropriation of funds.

Reviewed by: Ruben Torres, Fire Chief

Approved by: Deanna J. Santana, City Manager

#### ATTACHMENTS

- 1. Amendment No. 2
- 2. Amendment No. 1
- 3. Original Agreement for Performance of Services with The Permanente Medical Group, Inc.

# AMENDMENT NO. 2 TO THE AGREEMENT FOR THE PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC

#### **PREAMBLE**

This agreement ("Amendment No. 2") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and The Permanente Medical Group, Inc., a California corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

#### **RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and the Permanent Medical Group, Inc.", dated September 14, 2017 (Agreement);
- B. The Agreement was previously amended by Amendment No. 1, dated November 18, 2019 and is again amended by this Amendment No. 2. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide professional medical services for public safety employees, and the Parties now wish to amend the Agreement as Amended to extend the term for an additional five (5) years through August 31, 2025 for a revised not-to-exceed compensation of \$600,000 and revise the schedule of fees.

NOW, THEREFORE, the Parties agree as follows:

## AMENDMENT TERMS AND CONDITIONS

1. Section 5 of the Agreement as Amended, entitled "Term of Agreement" is amended to read as follows:

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement as Amended shall begin Effective Date of this Agreement and terminate on August 31, 2025.

2. Section 11 of the Agreement as Amended, entitled "Compensation and Payment" is amended to read as follows:

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and services rendered by Contractor at the rate per hour for labor and rate per unit for materials as outlined in Second Revised Exhibit B, entitled "Schedule of Fees."

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month, subject to verification by City. City will pay Contractor within thirty (30) days of City's receipt of invoice.

- 3. Section 12 of the Agreement as Amended, entitled "Termination of Agreement" is amended to read as follows:
  - A. Termination for Convenience. City shall have the right to terminate this Agreement, without cause or penalty, by giving not less than thirty (30) days' prior written notice to Contractor.
  - B. Termination for Default. If Contractor fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided by law, City may terminate this Agreement immediately upon written notice to Contractor.
  - C. Upon termination, each Party shall assist the other in arranging an orderly transfer and close-out of services. As soon as possible following the notice of termination, but no later than ten (10) days after the notice of termination, Contractor will deliver to City all City information or material that Contractor has in its possession.
- 4. Exhibit B of the Agreement as Amendment, entitled "First Amended Fee Schedule" is hereby amended to read as show in Second Revised Exhibit B, attached hereto and incorporated into this Amendment No. 2.
- 5. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 as evidenced by the following signatures of their duly authorized representatives.

# CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated: 98 2020
BRIAN DOOLE	DEANNA J SANTANA
City Attorney	City Manager
Oily Attorney	1500 Warburton Avenue
	Santa Clara, CA 95050
	Telephone: (408) 615-2210
	Fax: (408) 241-6771

"CITY"

# THE PERMANENTE MEDICAL GROUP

a California corporation

By (Signature):

Name:

Name:

Lavanya Kailar, MD

Medical Director KPOJ Occupational Health &

Title:

Safety Services - NCAL

1800 Harrison Street, 9th Floor

Principal Place of
Business Address:

Email Address:

Shawn,L.Wiley@kp.org

Telephone:

(510)625-4143

Fax:

() N/A

"CONTRACTOR"

# SECOND REVISED EXHIBIT B SCHEDULE OF FEES

Consultant shall provide a schedule of rates and fees which includes all billing amounts and costs as follows (if applicable), such as:

# OCCUPATIONAL HEALTH AND SAFETY SERVICES TO BE PROVIDED TO THE CITY OF SANTA CLARA FIRE DEPARTMENT.

Code #	Description of Service	Price
300398	Firefighter Physical Exam	\$127.00
	-	\$127.00
92552	Audiogram, screening	
94010	Spirometry	\$60.00
85025	CBC with automated differential	\$20.00
80053	Chem Comprehensive Panel	\$41.00
36415	Venipuncture	\$15.00
71046	Chest X-Rays (2 views, PA & Lateral)	\$75.00
300422	PPD, 2 step, 2 placements and readings -OR-	\$30.00
86480	QuantiFERON	\$145.00
93000	EKG, resting	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
86706	Titer: Hepatitis B Surface Antibody (HBsAb)	\$35.00
86704	Titer: Hepatitis B Core Antibody (HBcAb)	\$31.00
86803	Titer: Hepatitis C Antibody Screen	\$56.00
As Em	oloyer Requested:	
300413	Form completion (2 or more pages for DMV/DOT Exam If done in conjunction with the Firefighter Physical Exam during the same visit)	\$25.00
300420	Collection for Drug Scree Preferred Alliance "Quick Test"	Billed by Preferred Alliance
As Clir	nically Indicated:	
90746	Vaccine: Hepatitis B, may need series of 3 injections	\$130.00/injection
90632	Vaccine: Hepatitis A, may need series of 2 injections	\$114.00/injection
90636	Twinrix (Hep B and Hep A combo), series of 3 injections	\$191.00/injection
90707	Vaccine: Measles Mumps Rubella (MMR), may need series of 2 injections	\$103.00/injection
90716	Vaccine: Varivax (Varicella or Chickenpox), may need series of 2 injections	\$152.00/injection
90715	Vaccine: Tdap -OR-	\$63.00

Code #	Description of Service	Price
90714	Vaccine: Td	\$34.00
90658	Vaccine: Influenza (when seasonally available)	\$20.00
86735	Titer: Mumps Antibody Screen	\$35.00
86762	Titer: Rubella Antibody Screen (German Measles)	\$35.00
86765	Titer: Rubeola Antibody Screen (Measles)	\$35.00
86787	Titer: Varicella (Varicella or Chickenpox) Antibody Screen	\$35.00
86708	Titer: Hepatitis A IgG Antibody (HAAb)	\$40.00
81001	Urinalysis with microscopy	\$16.00
86580	PPD, 1 step, placement and reading	\$20.00
71045	Chest X-Ray, 1 view	\$55.00
71046	Chest X-Ray, 2 views	\$75.00
300408	Physician Consultation, each 15 minutes	\$64.00/15 mins
FIREFIGHTER	ANNUAL/PERIODIC EXAM (FFANN)	
Code #	Description of Service	Price
300398	Firefighter Physical Exam	\$127.00
92552	Audiogram, screening	\$54.00
94010	Spirometry	\$60.00
85025	CBC with automated differential	\$20.00
80053	Chem Comprehensive Panel	\$41.00
36415	Venipuncture	\$15.00
86480	QuantiFERON	\$145.00
93000	EKG, resting	\$50.00
93015	Cardiac Stress Test with Treadmill	\$230.00
As Em	ployer Requested:	
300413	Form completion (2 or more pages for DMV/DOT Exam If done in conjunction with the Firefighter Physical Exam during the same visit)	\$25.00
	nically Indicated:	<b>ACC 00</b>
71045	Chest X-Ray, 1 view	\$55.00
71046	Chest X-Ray, 2 views	\$75.00
81001	Urinalysis with microscopy	\$16.00
86580	PPD, 1 step, placement and reading	\$20.00
86706	Titer: Hepatitis B Surface Antibody (HBsAb)	\$35.00
90746	Vaccine: Hepatitis B, may need series of 3 injections	\$130.00/injection
90632	Vaccine: Hepatitis A, may need series of 2 injections	\$114.00/injection
90636	Twinrix (Hep B and Hep A combo), series of 3 injections	\$191.00/injection
90707	Vaccine: Measles Mumps Rubella (MMR), may need series of 2 injections	\$103.00/injection

	Description of Service	Price
90716	Vaccine: Varivax (Varicella or Chickenpox), may need series of 2 injections	\$152.00/injection
90715	Vaccine: Tdap -OR-	\$63.00
90714	Vaccine: Td	\$34.00
90658	Vaccine: Influenza (when seasonally available)	\$20.00
86735	Titer: Mumps Antibody Screen	\$35.00
86762	Titer: Rubella Antibody Screen (German Measles)	\$35.00
86765	Titer: Rubeola Antibody Screen (Measles)	\$35.00
86787	Titer: Varicella (Varicella or Chickenpox) Antibody Screen	\$35.00
86708	Titer: Hepatitis A IgG Antibody (HAAb)	\$40.00
82274	Fecal Immunochemical Test – FIT Test	\$35.00
84152	PSA; Prostate Specific Antigen	\$71.00
300408	Physician Consultation, each 15 minutes	\$64.00/15 mins
Code #	Description of Service	Price
300390	DMV/DOT Physical Exam	\$115.00
RESPIRATO	R BASELINE/PERIODIC (RESP)	
RESPIRATO Code #	R BASELINE/PERIODIC (RESP)  Description of Service	Price
		Price \$35.00
Code # 300415	Description of Service	
Code # 300415	Description of Service  Review of OSHA Respirator Questionnaire by MD/NP/RN	
Code # 300415 As C	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN linically Indicated:	\$35.00
Code # 300415  As C 300391	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN linically Indicated: Respirator Clearance Physical Exam	\$35.00 \$64.00
Code # 300415  As C 300391 94010	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  linically Indicated: Respirator Clearance Physical Exam Spirometry	\$35.00 \$64.00 \$60.00
Code # 300415  As C 300391 94010 71046	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  linically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views)	\$35.00 \$64.00 \$60.00 \$75.00
Code # 300415  As C 300391 94010 71046 93000	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  Iinically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views) EKG, resting	\$35.00 \$64.00 \$60.00 \$75.00 \$50.00
Code # 300415  As C 300391 94010 71046 93000 93015 300408	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  linically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views) EKG, resting Cardiac Stress Test with Treadmill	\$35.00 \$64.00 \$60.00 \$75.00 \$50.00 \$230.00
Code # 300415  As C 300391 94010 71046 93000 93015 300408	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  Inically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views) EKG, resting Cardiac Stress Test with Treadmill Physician Consultation, each 15 minutes	\$35.00 \$64.00 \$60.00 \$75.00 \$50.00 \$230.00
Code # 300415  As C 300391 94010 71046 93000 93015 300408  FITNESS FO	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  linically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views) EKG, resting Cardiac Stress Test with Treadmill Physician Consultation, each 15 minutes  R DUTY/RETURN TO WORK (FFD/RTW)	\$35.00 \$64.00 \$60.00 \$75.00 \$50.00 \$230.00 \$64.00/15 mins
Code # 300415  As C 300391 94010 71046 93000 93015 300408  FITNESS FO Code # 300397	Description of Service Review of OSHA Respirator Questionnaire by MD/NP/RN  Inically Indicated: Respirator Clearance Physical Exam Spirometry Chest X-Ray (2 views) EKG, resting Cardiac Stress Test with Treadmill Physician Consultation, each 15 minutes  R DUTY/RETURN TO WORK (FFD/RTW)  Description of Service	\$35.00 \$64.00 \$60.00 \$75.00 \$50.00 \$230.00 \$64.00/15 mins

Code #	Description of Service	Price
300406	History/Review of Tests/Brief Screen - No Physical Exam	\$42.00
90746	Vaccine: Hepatitis B, may need series of 3 injections	\$130.00/injection
90632	Vaccine: Hepatitis A, may need series of 2 injections	\$114.00/injection
90636	Twinrix (Hep B and Hep A combo), series of 3 injections	\$191.00/injection
90707	Vaccine: Measles Mumps Rubella (MMR), may need series of 2 injections	\$103.00/injection
90716	Vaccine: Varivax (Varicella or Chickenpox), may need series of 2 injections	\$152.00/injection
90715	Vaccine: Tdap -OR-	\$63.00
90714	Vaccine: Td	\$34.00
90658	Vaccine: Influenza (when seasonally available)	\$20.00
300406	History/Review of Tests/Brief Screen - No Physical Exam	\$42.00
Code #	Description of Service	Price
86706	Exam Titer: Hepatitis B Surface Antibody (HBsAb)	\$35.00
86708	Titer: Hepatitis A IgG Antibody (HAAb)	\$40.00
86735	Titer: Mumps Antibody Screen	\$35.00
86762	Titer: Rubella Antibody Screen (German Measles)	\$35.00
86765	Titer: Rubeola Antibody Screen (Measles)	\$35.00
86787	Titer: Varicella (Varicella or Chickenpox) Antibody Screen	\$35.00
36415	Venipuncture	\$15.00
TB CLEARAN	ICE QUANTIFERON (PPD/TB CLEARANCE)	
Code #	Description of Service	Price
86480	QuantiFERON	\$145.00
36415	Venipuncture	\$15.00
As C	linically Indicated:	
71045	Chest X-Ray, 1 view	\$55.00
71046	Chest X-Ray, 2 views	\$75.00
7 10-10	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	

In no event shall the amount billed to City by Contractor for services under this Agreement exceed **Six Hundred Thousand Dollars (\$600,000)** for the term of this Agreement, subject to the appropriation of funds.

# AMENDMENT NO. 3 TO THE AGREEMENT FOR THE PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND THE PERMANENTE MEDICAL GROUP, INC.

#### PREAMBLE

This agreement ("Amendment No. 3") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and The Permanente Medical Group, Inc., a California corporation, (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

## **RECITALS**

- Α. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California and The Permanente Medical Group, Inc., dated September 14, 2017 (Agreement);
- В The Agreement was previously amended by Amendment No. 1, dated November 18, 2019, Amendment No. 2, dated September 8, 2020, and is again amended by this Amendment No. 3. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide professional medical services for public safety employees. and the Parties now wish to amend the Agreement as Amended to extend the term for an additional five (5) years through August 31, 2030, subject to the appropriation of funds.

NOW, THEREFORE, the Parties agree as follows:

## **AMENDMENT TERMS AND CONDITIONS**

1. Section 5 of the Agreement as Amended, entitled "Term of Agreement" is amended to read as follows:

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement as Amended shall begin Effective Date of this Agreement and terminate on August 31, 2030.

Rev. 10/25/2019

2. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 3, the provisions of this Amendment No. 3 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 3 as evidenced by the following signatures of their duly authorized representatives.

# CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated:
GLEN R. GOOGINS City Attorney	JŌVAN D. GROGAN City Manager City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050 Telephone: (408) 615-2210 Fax: (408) 241-6771 "CITY"
THE PER	RMANENTE MEDICAL GROUP, INC. a California corporation
Dated:	
By (Signature):	
Title:	Lavanya Kailar, MD  Medical Director KPOJ Occupational Health & Safety Services - NCAL  1800 Harrison Street, 9 <sup>th</sup> Floor
• • • • • • • • • • • • • • • • • • •	Oakland, CA 94612 Attention: Sales Manager
	Shawn.L.Wiley@kp.org
Telephone:	(510) 625-4143
Fax:	N/A "CONTRACTOR"

Amendment No. 3 to Agreement/The Permanente Medical Group, Inc. Rev. 10/25/2019



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-522 Agenda Date: 7/8/2025

# REPORT TO COUNCIL

# SUBJECT

Action on Delegation of Authority to Authorize the City Manager to Issue Purchase Orders and Negotiate and Execute Agreements or Amendments with Environmental Systems Corporation DBA ESC Spectrum Corporation for Data Acquisition and Historian System Support and Maintenance Service Related to Silicon Valley Power Operations and to Ratify Prior Payments

# COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

# <u>BACKGROUND</u>

The City of Santa Clara's electric utility, Silicon Valley Power (SVP), operates power plants which must comply with state and federal emissions requirements. A Data Acquisition and Handling System (DAHS) is a critical component of a power plant's Continuous Emissions Monitoring System (CEMS). A DAHS is used to collect, store, and validate power plant emissions data which is required for state and federal regulatory compliance. The Bay Area Air Quality Management District (BAAQMD) uses DAHS data to monitor compliance with air quality standards, including those of the U.S. Environmental Protection Agency (EPA).

The Donald Von Raesfeld (DVR) power plant has a DAHS, which was installed by Environmental Systems Corporation DBA ESC Spectrum Corporation (ESC) when the power plant was built. Since installation, ESC has provided software licenses, reporting services, server management services, and software support and maintenance services in connection with the DAHS.

This Report to Council seeks ratification of payments exceeding the City Manager's authority of \$250,000 and requests authorization for the City Manager to issue purchase orders and agreements in connection with SVP's continued use of the DAHS.

# **DISCUSSION**

Ratification of Payments Exceeding \$250,000

ESC has provided a number of services in connection with the DAHS. Since the system was installed, the City has used these services, but as payment records were destroyed pursuant to the City's record retention policy, there are no records for this period. It is estimated that the City paid approximately \$800,000 for these services, which was in excess of the City Manager's authorization. This estimate is based on an average annual amount for the periods for which there are payment records. In addition to the estimated amounts, the City has paid approximately \$400,000 to ESC since 2016 for its services. The City has payment records in this case. As the estimated amount and the post-2015 payments exceeded the City Manager's signature authority, the City is requesting that

25-522 Agenda Date: 7/8/2025

the City Council ratify these past payments.

The City does not currently have an automated system to track cumulative expenditures associated with the DAHS system and instead has to periodically review payment history reports. To improve the City's ability to track cumulative contract expenditures and reduce the risk of oversight under the current manual process, the Purchasing Division is working to implement the Procurement Contracts module within the City's financial management system, PeopleSoft. This project, which is expected to be completed in 2026, will automate and centralize contract management and enhance control over all contract-related activities throughout their term.

Authorization for DAHS Services and Software between 2025-2031

SVP requires ongoing DAHS services and software for its DVR operations. Therefore, staff is seeking additional authorization to issue purchase orders to ESC for a total aggregate amount not to exceed \$800,000 for the period of January 1, 2025, through April 30, 2031. This amount includes payments already made since January 1, 2025, and future costs for continued software licensing, server management, regulatory reporting, software maintenance and support services, and engineering services. Depending on the service needs, the City may issue purchase orders or negotiate and execute agreements and amendments for services.

A breakdown of the compensation is provided in Table 1 - DAHS Compensation Summary below.

Table 1 - DAHS Compensation Summary

Description	Amount
Estimated Payments (2000 - 2016)* *Estimated at \$50,000 per year since 2000	\$800,000
Amount Paid between July 2016 and June 2024	\$400,000
Requested Authorized Compensation for ESC Service between July 1, 2025, and June 30, 2031	\$800,000

This recommendation is made pursuant to Section 2.105.160(b)(2) of the Santa Clara City Code. This section exempts purchases from competitive procurement requirements when necessary to ensure continued operation and function of existing systems currently in use by the City. ESC is the sole provider of licenses, maintenance, and support services for DAHS.

## **ENVIRONMENTAL REVIEW**

The actions being considered do not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to Section 15061(b)(3) of Title 14 of the California Code of Regulation in that it can be seen with certainty that there is no possibility that the proposed actions may have a significant effect on the environment.

#### FISCAL IMPACT

Sufficient funds for the ESC Spectrum DAHS solution are available in the Operating Budget Generation Program in the Electric Utility Fund for FY 2024/25 and is incorporated in the FY 2025/26 and FY 2026/27 Proposed Operating Budget. Funding for future years will be requested as part of

25-522 Agenda Date: 7/8/2025

the regular budget process.

# COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

# PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a>.

# RECOMMENDATION

- 1. Authorize the City Manager issue purchase orders or negotiate and execute agreements and amendments with Environmental Systems Corporation DBA ESC Spectrum (ESC) for Data Acquisition and Handling System (DAHS) for a maximum authorization of \$800,000 for purchase orders and payments issued during the period of January 1, 2025, through April 30, 2031, subject to the appropriation of funds and review and approval as to form by the City Attorney;
- 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the purchase orders and agreements, including negotiating and executing future agreements or amendment(s) to (a) add or delete services associated with the services, (b) adjust future rates based on market conditions, and (c) make de minimis changes, subject to budget appropriations and review and approval as to form by the City Attorney; and
- 3. Ratify prior payments made to ESC in connection with DAHS services and software occurring prior to 2025 in the approximate amount of \$1,200,000.

Reviewed by: Nico Procos, Acting Director of Silicon Valley Power

Approved by: Jovan Grogan, City Manager



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-569 Agenda Date: 7/8/2025

# REPORT TO COUNCIL

# SUBJECT

Action on Award of Contract for the Emergency Operations Center Security Upgrades Project to Arrow Fencing and Related Budget Amendments

# COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

# BACKGROUND

The City's Emergency Operations Center (EOC) is maintained to be response-ready and serves as the City's hub for emergency management activities in support of large-scale emergencies and planned events. The EOC is co-located with the Santa Clara Police Department's Live Fire Shooting Range at 1990 Walsh Avenue, adjacent to Fire Station #2 (Attachment 1). The EOC is a critical facility for the City and must be available for activation at all times.

The Emergency Operations Center Security Upgrades Project (Project) was established as part of the FY 2024/25 and FY 2025/26 Adopted Biennial Capital Improvement Program Budget. The Project will improve site security by installing security fencing and access gates (vehicle and pedestrian) surrounding the property. The Project scope also includes associated electrical work, signage, pushpad controls and accessible parking in accordance with Americans with Disabilities Act (ADA) requirements.

# DISCUSSION

In May 2025, a competitive Request for Bids (RFB) for construction of the Project was published on the City's bid notification system, BidNet Direct. The RFB was viewed by various vendors, including contractors, suppliers, plan rooms, and builder exchanges, among others. Additional vendors were able to view the RFB as members of various plan rooms and builder exchanges. Staff also reached out directly to contractors and vendors who had viewed similar projects in the past.

On May 29, 2025, the bid opening for the Project was held via video conference. Four bids were received ranging from \$558,000 to \$599,530. The Bid Summary is included as Attachment 2. The lowest bid, submitted by Woida Enterprises, Inc., dba Arrow Fencing (Arrow Fencing) in the amount of \$558,000, is 1.1 percent below the Engineer's Estimate of \$564,000. Arrow Fencing's bid was reviewed by staff for compliance with the terms and conditions of the bid documents and has been determined to be the lowest responsive and responsible bid. Staff recommends awarding the construction contract to Arrow Fencing.

The award of contract will allow construction of the Project to commence. Substantial completion of the Project is anticipated by the end of 2025. The date may be subject to change based on any unforeseen conditions discovered during construction or extended delivery dates by materials or

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equipment suppliers. The contract includes prevailing wage requirements.

# **ENVIRONMENTAL REVIEW**

This project being considered is exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15311, "Accessory Structures," as the activity consists of the construction of minor structures accessory to an existing institutional facility.

# FISCAL IMPACT

The approximate cost of the contract is \$558,000, plus a 15 percent contingency in the amount of \$83,700 for any potential change orders, for a total not-to-exceed contract amount of \$641,700. The Emergency Operations Center Security Upgrades Project in the Fire Department Capital Fund has a budget of \$149,540 in FY 2025/26, including \$141,980 available for this contract. Additional funding in the amount of \$499,720 is needed to fund this project due to higher than anticipated material costs and scope changes, including increased fencing length to accommodate future battery storage and related microgrid equipment, requirements to incorporate ADA improvements, and an automatic vehicle gate required by the Fire Department.

To cover this additional cost, staff recommends transferring \$420,348 from the General Fund - Capital Projects Reserve and \$79,372 from the Electric Operating Grant Trust Fund. The electric funds would cover the portion of the Project costs attributable to the Renewable Energy Microgrid Project. The Measure I General Obligations Bond Expenditure Plan also includes \$250,000 for the Emergency Operations Center. If General Obligation Bond funds are later allocated to cover a portion of these additional costs, the Capital Project Reserve would be reimbursed upon issuance of the bonds.

# Budget Amendment FY 2025/26

Fire Department Capital Fund (536)	Current	Increase/ (Decrease)	Revised
Revenues Transfer from the General Fund - Capital Projects Reserve Transfer from the Electric Operating Grant Trust Fund	\$0 \$0	\$420,348 \$79,372	\$420,348 \$79,372
Expenditures Emergency Operations Center Security Upgrades Project	\$149,540	\$499,720	\$649,260
General Fund (001) <u>Expenditure</u> Ending Fund Balance - Capital Project Reserves	\$8,834,572	(\$420,348)	\$8,414,224

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Transfer to the Fire Capital Fund	\$0	\$420,348	\$420,348
Electric Operating Grant Trust Fund (191)  Expenditure Ending Fund Balance - Greenhouse Gas Program	\$12,714,739	(\$79,372)	\$12,635,367
Transfer to the Fire Department Capital Fund	\$0	\$79,372	\$79,372

# **COORDINATION**

This report has been coordinated with the Finance Department, Silicon Valley Power, and the City Attorney's Office.

# PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

# RECOMMENDATION

- 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15311 (Accessory Structures) of Title 14 of California Code of Regulations;
- 2. Award the Public Works Contract for the Emergency Operations Center Security Upgrades Project to Arrow Fencing, the lowest responsive and responsible bidder, in the amount of \$558,000 and authorize the City Manager to execute any and all documents associated with, and necessary for the award, completion, and acceptance of this Project, in final forms approved by the City Attorney;
- 3. Authorize the City Manager to execute change orders up to approximately 15 percent of the original contract price, or \$83,700, for a total project budget not to exceed amount of \$641,700, in final forms approved by the City Attorney; and
- 4. Approve the following FY 2025/26 budget amendments for the funding of the project:
  - a. In the Fire Department Capital Fund, recognize transfers of \$420,348 from the General Fund Capital Projects Reserve and \$79,372 from the Electric Operating Grant Trust Fund, and increase the Emergency Operations Center Security Upgrades Project by \$499,720 (five affirmative Council votes required to appropriate additional revenue );
  - b. In the General Fund, establish a transfer to the Fire Department Capital Fund and decrease the Capital Projects Reserve by \$420,348 (five affirmative Council votes required for the use of unused balances ); and
  - c. In the Electric Operating Grant Trust Fund, establish a transfer to the Fire Department Capital Fund and decrease the Ending Fund Balance Greenhouse Gas Program by \$79,372 (five affirmative Council votes required for the use of unused balances ).

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Reviewed by: Craig Mobeck, Director of Public Works

Approved by: Jovan Grogan, City Manager

ATTACHMENTS

1. Project Location Map

2. Bid Summary

# Attachment 1

# Emergency Operations Center Security Upgrades Project Location Map





# **Attachment 2 Bid Summary**

# EMERGENCY OPERATIONS CENTER SECURITY UPGRADES PROJECT (CE 24-25-08)

BID SUMMARY	Bid Opening Date: May 29, 2025		
ENGINEER'S ESTIMATE:	\$ 564,000		
Contractor	Total Bid (\$)	Percentage above/below Engineer's Estimate	
Woida Enterprises Inc., dba Arrow Fencing	\$ 558,000	1.1% below	
CWS Construction Group Inc.	\$ 595,000	5.5% above	
Rodan Builders Inc.	\$ 599,000	6.2% above	
Tucker Construction Inc.	\$ 599,530	6.3% above	



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-624 Agenda Date: 7/8/2025

# REPORT TO COUNCIL

# SUBJECT

Informational Report on 2025 Q2 Legislative Updates

# COUNCIL PILLAR

**Enhance Community Engagement and Transparency** 

# **BACKGROUND**

On October 9, 2018, the City Council adopted Resolution No. 18-8611 to approve a Legislative Advocacy Position (LAP) Policy. The LAP Policy establishes guidelines for advancing City goals and positions through legislative review and advocacy at the regional, state, and federal levels of government. The policy also provides guidance for City officials who serve on regional, state, and national boards, committees, and commissions when they are asked to review public policy matters and issues.

The Council is required to annually adopt or update LAPs at the beginning of the calendar year to identify specific legislative priorities outside of the LAP Policy's legislative guiding principles. On February 25, 2025, the City Council adopted eleven (11) LAPs that were updated for 2025 on the following key issues:

- Broadband, Cable Services, and Wireless Facilities
- Community Services
- Emergency Management
- Energy Legislation, Regulations and Issues
- Housing
- Human Resources and Public Sector Employment
- Public Safety
- Regional Issues and Collaboration
- Sustainability and Environmental Protection
- Transportation Issues
- Water Supply and Conservation

The LAP Policy includes the following procedures that streamline the City's legislative review and advocacy process:

If the City Council has previously adopted a policy directly relevant to the legislation or the
proposed legislation is generally consistent with the City's overall guiding principles for
legislative advocacy or LAP, the Mayor or City Manager may sign a letter supporting or
opposing legislation on behalf of the City.

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 In order to keep the City Council informed of all City communications on legislation, copies of the letter or summary of actions will be distributed to the City Council as information items in the Council Meeting Agendas.

• Staff will provide and/or coordinate quarterly legislative updates on public policy items of interest to the City Council and departments.

In coordination with staff, the City's legislative advocacy consultant, Townsend Public Affairs, Inc. (Townsend), tracks legislation and advocates the City's position on various legislation at the state and federal levels of government. This report provides an update on such efforts.

# **DISCUSSION**

A 2025 Q2 Legislative Update prepared by Townsend summarizes key state and federal updates that have occurred recently (Attachment 1). Townsend has also provided a 2025 Q2 Legislative Bill Matrix that outlines key state legislation that staff and Townsend are tracking (Attachment 2). The bills are summarized and grouped by LAP topic or legislative entity.

City action on legislative items for the quarter is documented in the 2025 Q2 Legislative Action Summary (Attachment 3), along with copies of legislative letters, in accordance with the LAP Policy requirement to provide copies of the letters or a summary of actions to City Council.

# **ENVIRONMENTAL REVIEW**

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

## FISCAL IMPACT

The City has an existing agreement with Townsend Public Affairs for state and federal legislative advocacy services. Townsend's services which are described in this report are included in the consultant's monthly service fee.

# COORDINATION

This report has been coordinated with Townsend Public Affairs and the City Attorney's Office.

## PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

# RECOMMENDATION

Note and file the informational report on 2025 Q2 legislative updates.

Reviewed by: Christine Jung, Deputy City Manager

25-624 Agenda Date: 7/8/2025

Approved by: Jovan D. Grogan, City Manager

# **ATTACHMENTS**

- 1. 2025 Q2 Legislative Update by Townsend Public Affairs
- 2. 2025 Q2 Legislative Bill Matrix
- 3. 2025 Q2 Legislative Action Summary



# MEMORANDUM

To: City of Santa Clara

From: Townsend Public Affairs

Casey Elliott, Vice President

**Date:** June 17, 2025

**Subject:** Q2 Legislative Update

The month of May was marked by key statutory deadlines for both the State Budget and the Legislature. On May 14<sup>th</sup>, Governor Newsom released the 2025-26 May Revision to his January budget proposal, reflecting updated revenue projections influenced by tax returns, inflation, and federal monetary policy. These adjustments may lead to additional spending cuts or the restoration of previously reduced programs.

Meanwhile, the Legislature faced two major deadlines: the Appropriations Committees' Suspense File hearings and the House of Origin deadline. On May 23, both Appropriations Committees considered hundreds of bills with fiscal impacts, using the Suspense File process to determine which measures would advance. Bills may be held for various reasons, including duplicative proposals, shifting author priorities, or political or fiscal infeasibility, especially in light of the state's projected budget deficit.

# State Budget - May Revise

On May 14<sup>th</sup>, Governor Newsom provided a presentation overview of the state's updated budget proposal. The May Revision, or "May Revise," is an update to the January budget proposal that reflects new revenue projections, economic trends, caseload updates, and evolving policy priorities. The May Revise provides the Governor with an opportunity to modify funding proposals and strategies ahead of final budget negotiations with the Legislature. By law, the Legislature must pass and send to the Governor a balanced budget by June 15. The 2025 May Revise responds to significant fiscal pressures and broader macroeconomic uncertainty, particularly in light of federal policy developments and inflationary pressures affecting state program costs.

With a combination of fund shifts, borrowing, reserve spending, and cost reductions, the May Revise mitigates a purported \$12 billion deficit in the 2025-26 budget year, while the Department of Finance forecasts annual shortfalls of \$14 billion in 2026-27, \$19 billion in 2027-28, and \$13 billion in 2028-29. The Health and Human Services piece of the budget saw the largest cost reductions across Medi-Cal premiums and eligibility, long-term care benefits, payments to health centers and rural health clinics, and In-Home Supportive Services, among others. The May Revise also proposes a 15-year extension (to 2045) of the state's cap-and-trade program, to be redubbed Cap-and-Invest, with a dedicated \$1 billion annual commitment to the High-Speed Rail project, and a shift in funds from the Greenhouse Gas Reduction Fund for CAL FIRE operations.

While the May Revise does not propose new large-scale housing funding, the Governor signaled support for the housing and infrastructure bond considered by the Legislature for placement on

the November 2026 ballot. To streamline housing production, the Governor emphasized reducing permitting delays and stronger accountability for local jurisdictions, even suggesting that future budget trailer language could build upon CEQA and permit streamlining efforts already underway this session. On the homelessness front, the May Revise includes limited new funding for homelessness programs, but reiterates the Administration's focus on accountability and performance outcomes. The revised budget proposal does not include a renewed round of the Homeless Housing, Assistance, and Prevention program, which typically provides \$1 billion in flexible funding to local governments to address homelessness. The future of this program is likely to be hashed out through negotiations with the Legislature. A full summary of the May Revise can be found here.

Following the release of the May Revise, the Legislature has begun to undertake a series of informational hearings, as well as closed door negotiations, that will help to shape the final budget that will be approved by the Legislature prior to the constitutional deadline of June 15<sup>th</sup>.

# **Legislature Releases and Adopts Budget Plan**

On June 9<sup>th</sup>, the Legislature's Assembly and Senate Leadership announced their agreement on a budget plan in response to the Governor's May Revise. The Senate Budget and Fiscal Review Committee published a <u>24-page budget summary</u> outlining the budget agreement reached with Assembly leadership. The corresponding Assembly Budget Committee <u>report</u> was released soon thereafter.

The Legislature's summary explains how California's fiscal outlook has worsened since January driven primarily by weaker economic growth tied to federal tariff policies, resulting in an estimated \$16 billion drop in projected revenues. Additional strain has come from rising Medi-Cal costs and increased emergency spending in response to recent wildfires in LA County.

The budget priorities released this morning highlight major state investments in housing, homelessness response, local government support, and transportation infrastructure.

Overall, the Legislature's budget plan includes \$3.5 billion in reductions for 2025–26, growing to over \$12 billion in ongoing savings. It also reflects \$7.8 billion in revenue and borrowing solutions for 2025–26, along with \$1.0 billion from other measures such as fund shifts, deferrals, and delays.

Key highlights include:

# Housing Affordability Package

The package takes a broad approach to addressing housing affordability by boosting the pace of new construction, increasing funding for affordable housing initiatives, revising the Renters Tax Credit to better support low- and middle-income residents, and easing the path to homeownership by eliminating the traditional 20% down payment requirement and lowering monthly mortgage payments by up to 30%. It includes the following core measures:

# Affordable Housing

The budget directs significant resources toward affordable housing through two major funding streams:

• \$500 million in supplemental state Low-Income Housing Tax Credits (LIHTC), which helps unlock additional federal financing.

• \$120 million for the Multifamily Housing Program, supporting a range of rental housing projects targeting low- and moderate-income households.

These investments aim to expand the reach of state dollars by leveraging other public and private funding sources.

# Housing Production

To accelerate new housing development, the Legislature supports the Governor's proposal (pending final trailer bill negotiations) which includes streamlining approval processes and testing new financing models. These efforts are being shaped by provisions in <u>AB 609 (Wicks)</u> and <u>SB 607 (Wiener)</u>, which are serving as the framework for forthcoming trailer bill language.

## Rental Assistance

Pending final legislative agreement, the Renters Tax Credit is set for major reform to provide more meaningful relief, especially for renters with dependents. If enacted, the revised credit could take effect in the 2026–27 fiscal year, offering expanded tax benefits to help offset housing costs for low- and moderate-income tenants.

# Homeownership Access

To promote equitable access to homeownership, the budget includes \$300 million for the California Dream for All program, which helps first-time buyers overcome major financial barriers. This initiative is designed to promote generational wealth and homeownership stability across communities statewide.

#### Homelessness

Encampment Resolution Fund (ERF)

Reduces the 2025-26 ERF appropriation by \$100 million.

## Homelessness Response Funding

Allocates \$500 million in fiscal year 2026-27 to the Homeless Housing, Assistance, and Prevention (HHAP) program, ensuring continued flexible funding for local jurisdictions to implement homelessness solutions, with strong oversight and accountability requirements.

# Enforcement and Oversight Expansion

Authorizes increased staffing and resources for the Housing and Homelessness Accountability, Results, and Partnership (HHARP) unit within the Department of Housing and Community Development (HCD) to strengthen local government compliance with state housing and homelessness mandates through both collaborative support and enforcement tools.

# **Emergency Relief for Local Governments**

The Legislature's budget framework authorizes emergency loans to support recovery efforts in Los Angeles and to stabilize Bay Area transit operations during ongoing fiscal challenges. Specifically, Los Angeles-area local governments may access up to \$1 billion over the next two years to aid in recovery from recent wildfires, while Bay Area transit agencies will be eligible to borrow up to \$750 million over the same period as they address budget shortfalls and await the recovery of local revenue sources.

These loans are structured to support the fiscal health of two critical regions to the state's economy, with the goal of promoting long-term economic stability. Loans will only be issued to jurisdictions that demonstrate a clear capacity for repayment, with specific terms to be outlined in forthcoming budget trailer bill language. Repayments will be credited to the state in the same

fiscal year the loans are disbursed, ensuring no adverse impact on the state's long-term fiscal position.

# Public Safety

In the area of public safety, the Legislature incorporates the Governor's proposed phased reductions to the California Department of Corrections and Rehabilitation budget, starting with \$230 million in savings in 2025-26 and growing to approximately \$1 billion annually by 2028-29. The plan also includes the Governor's proposal to close one state prison, generating \$150 million in ongoing savings, and approves reductions to the Jury Duty Pilot Program, resulting in \$27.5 million in savings. Additionally, the Legislature agrees with the Governor's proposal to loan \$150 million from the Unfair Competition Law Fund to the General Fund.

However, the Legislature diverges from the Governor's plan by rejecting a proposed \$50 million cut to the Flexible Cash Assistance for Survivors of Crime program, thereby maintaining critical support for vulnerable individuals. The budget also provides a one-time allocation of \$100 million for the implementation of Proposition 36, underscoring the Legislature's continued commitment to public safety and criminal justice reform.

On June 13<sup>th</sup>, the Senate and Assembly convened floor sessions to take up <u>SB 101</u>, the bill that reflects the Legislative budget priorities that were announced at the beginning of last week. Both houses held several hours of debate, during which members offered wide-ranging commentary on the proposed spending plan. Lawmakers emphasized the budget's investments in critical policy areas such as education, health and human services, infrastructure, affordable housing, and public safety. At the same time, several members voiced concerns about the impact of proposed reductions and the reliance on one-time solutions to address structural imbalances.

Ultimately, SB 101 was passed by both houses, allowing the Legislature to fulfill its constitutional obligation to adopt a balanced budget by the statutory deadline. The budget bill was sent to the Governor and he has until June 27<sup>th</sup> to act on the measure.

While the passage of the budget bill will satisfy the constitutional requirement, it does not reflect an overall budget agreement between the Legislature and the Administration. Budget negotiations will continue over the coming days, and once an overall budget agreement has been reached, the Legislature will approve a series of budget trailer bills to implement the agreement. The final budget negotiations are expected to continue in for several days with the aim of approving a final budget package prior to the beginning of the new fiscal year on July 1<sup>st</sup>.

# **Appropriations Committees Consider the Fate of Hundreds of Bills**

On May 23<sup>rd</sup>, the Assembly and Senate Appropriations Committees held their respective Suspense File hearings to evaluate legislation from their house of origin with fiscal implications. This process serves as a "fiscal filter" for active bills before they are sent to the floor for final consideration. Typically, any bill with a fiscal impact drawing on state budget resources is placed on the fiscal committee's "Suspense File."

The Suspense File is essentially an accumulation of bills that have passed through their policy committee process to assess their fiscal impact to ensure their draw on state resources isn't unbudgeted or duplicative of existing efforts. Pursuant to statutory deadlines, fiscal committees must pass these bills by May 23, before they are passed onto their first house floor for consideration by the entire legislative body by June 6.

Suspense File hearings are known for their brisk pace, with Committee Chairs announcing the outcomes of hundreds of bills in rapid succession. Traditionally, the first suspense hearings of a legislative session happen in May, when lawmakers and their staff have a better idea of the budget picture for that year. Given the recent budget projections of an increasing budget deficit, lawmakers exercised prudence in moving forward bills with big price tags.

Of the 666 bills considered during the Assembly Appropriations Committee's Suspense File hearing, 435 passed, and 231 were held and deemed inactive for the remainder of the Session. Similarly, the Senate Appropriations Committee's Suspense File Agenda featured 432 total bills 307 of which were passed, and 114 were held and deemed inactive, and 11 became "2-Year" measures.

In total, there were 1,098 bills in the Suspense Files between both Committees; 742 passed to their House Floors, with 356 measures held in committee, for a 32.4% hold rate.

# Senate Bill 79 (Wiener) Latest Amendments Released

In May, significant amendments were made to <u>SB 79 (Wiener)</u>, which proposes to streamline the approval of certain housing developments located near transit-oriented development (TOD) stops. The bill would require qualifying housing projects on residential, mixed-use, or commercial sites to be allowed by right if they meet specified criteria. It also establishes height and density standards based on proximity to TOD stops and presumes that local denial of eligible projects in high-resource areas violates the Housing Accountability Act. Additionally, qualifying developments would be eligible for streamlined ministerial approval.

Key amendments taken to the bill in May include:

- Revising the definition of "urban transit county" to mean a county with "more than 15 rail stations", instead of "15 or more rail transit stops."
- Adding a severability clause.
- Removing proposed changes to the Surplus Land Act, thereby reverting that section to current law.
- Eliminating provisions that would have made housing projects within one-half mile of a TOD stop allowable on "qualified light industrial sites."
  - As a result, the definition of "qualified light industrial site" was removed, along with related provisions that would have allowed local ordinances or plans to exempt such sites from the bill's requirements.
- Clarifying standards for residential developments located more than one-quarter mile but within one-half mile of a Tier 3 TOD stop:
  - In urban transit counties, such developments may be built up to 45 feet high or up to the local height limit, whichever is greater.
  - In non-urban transit counties, developments may be built up to the local height limit.

On June 3<sup>rd</sup>, SB 79 was considered on the Senate Floor. The measure ended up passing with a vote of 21-13. The bill is now in the Assembly where it has been referred to three policy committees for consideration. The measure will need to be considered, and approved, by all three committees prior to the policy committee deadline on July 18<sup>th</sup>.

# **Proposition 1 Funding Update**

The California Department of Health Care Services (DHCS) has announced a significant new funding opportunity through the Behavioral Health Continuum Infrastructure Program (BHCIP) as part of Proposition 1, approved by voters in March 2024. This next phase—Round 2: Unmet Needs—makes more than \$800 million available in competitive grants to support the development of behavioral health facilities across the state.

Funded through the Behavioral Health Infrastructure Bond Act of 2024, this round of BHCIP aims to close critical gaps in California's behavioral health care system. The funding will support the construction, acquisition, or rehabilitation of facilities that expand access to mental health and substance use disorder treatment, particularly for underserved and high-need populations. These include Medi-Cal beneficiaries, individuals experiencing homelessness, veterans, older adults, people with disabilities, and children and youth.

In keeping with the state's broader priorities, eligible projects must promote equity, support community-based alternatives to incarceration or hospitalization, and help individuals receive care in the least restrictive and most cost-effective settings. Regional partnerships, public-private collaborations, and service models that build new capacity are strongly encouraged.

Eligible applicants for this round of funding include cities, counties, tribal entities, nonprofit organizations, and for-profit organizations. Notably, for-profit entities without prior behavioral health experience must apply in partnership with an experienced service provider, such as a local government or nonprofit agency. All applicants must commit to serving Medi-Cal members and demonstrate project readiness at the time of application.

This round of the program anticipates funding a range of community-based behavioral health settings, such as:

- Crisis residential treatment centers
- Peer respite programs
- Outpatient and residential substance use disorder treatment facilities
- Crisis stabilization units
- Behavioral health urgent care clinics
- Short-term and long-term psychiatric residential programs

Projects must result in new or expanded capacity; funding will not support renovation of existing services or cover cost overruns from prior BHCIP awards. Correctional settings and school-based facilities are not eligible.

To be eligible to receive funding from this program, applicants must participate in a mandatory Pre-Application Consultation (PAC) process. Registration for PACs opens June 2, 2025, and all consultations must be completed by October 1, 2025. Applications are due no later than October 28, 2025. Award announcements are expected in Spring 2026. Applications will be evaluated on several criteria, including alignment with state priorities, demonstrated expansion of behavioral health services, financial and operational readiness, and local stakeholder support. Preference will be given to projects that serve high-need populations and regions with limited existing behavioral health infrastructure.

For full application materials, technical assistance resources, and updates, prospective applicants should visit the official BHCIP website: https://infrastructure.buildingcalhhs.com.

# **State Officials Challenge Federal Action on Clean Air Policy**

On May 22<sup>nd</sup>, Governor Gavin Newsom and Attorney General Rob Bonta <u>announced</u> plans to challenge a recent U.S. Senate vote aimed at revoking California's longstanding authority to set its own vehicle emissions standards under the Clean Air Act. The Senate, in a 51-44 vote, approved a measure to nullify the Environmental Protection Agency's (EPA) waivers that allow California to enforce stricter emissions regulations, including its requirement that all new vehicles sold be electric by 2035. California's authority to implement its own emissions standards, granted in the 1970s, has played a critical role in the state's efforts to combat air pollution. State officials argue that eliminating this authority could pose significant environmental and public health risks, especially in areas already burdened by poor air quality.

Although the Senate action has not yet become law and is expected to face legal challenges and a potential presidential veto, it marks a notable escalation in federal resistance to state-led clean transportation policies.

If the effort to revoke or limit EPA waiver authority succeeds, it would:

- Invalidate the waiver needed for the private and drayage fleet portions of the ACF regulation;
- Prevent California from requiring manufacturers to sell ZEV trucks; and
- Potentially stall or unwind similar regulations in other states that follow California's lead.

Public fleets remain subject to ACF regardless of the waiver status. Because local agencies are governed directly by state law, the state retains the authority to require public fleets — cities, counties, special districts, and state departments — to transition to zero-emission vehicles under the ACF timeline.

Local governments should expect the following:

- Continued compliance obligations under the public fleet provisions of ACF (e.g., 50% ZEV procurement in 2024; 100% by 2027);
- Ongoing reporting, procurement planning, and grant-seeking responsibilities; and
- Potential reprioritization of state incentives and support programs if private sector enforcement is delayed due to federal actions.

At the same time, local agencies may face:

- Supply chain impacts if manufacturer ZEV sales obligations are halted;
- Shifting market dynamics that could increase costs or delay the availability of compliant fleet vehicles; and
- Uncertainty for joint procurement efforts with private sector partners or regional collaboratives.

While the recent Senate vote introduces uncertainty regarding the future of California's zeroemission truck regulations for the private sector, local government fleets remain subject to the ACF regulation and are still expected to comply. With the Governor and Attorney General initiating legal action in response to the potential revocation of the state's federal waivers, the matter is now expected to proceed through the courts.

# Governor Newsom Issues Model Ordinance and Executive Order on Homeless Encampments

Following the U.S. Supreme Court's recent *Grants Pass v. Johnson* decision affirming that jurisdictions may regulate encampments when adequate shelter is available, Governor Newsom issued Executive Order N-1-24, directing state agencies to adopt and encourage humane, enforceable protocols for addressing encampments on public property. In response, the state has released a <u>model ordinance</u> that offers a flexible framework for cities and counties to manage encampments while ensuring access to shelter and services.

The model ordinance reflects three foundational principles:

- 1. No criminalization of unsheltered individuals when adequate shelter options are unavailable.
- 2. *Prioritization of shelter and supportive services* in all enforcement actions, with respect for the dignity and property of those affected.
- 3. *Preservation of local authority* to address public health, safety, and accessibility concerns in public spaces.

Supporting those principles, the model ordinance would prohibit semi-permanent structures and long-term encampment (3+ nights in the same spot or within 200 feet), particularly near sensitive areas like schools, sidewalks, and rights-of-way. Notice and outreach are required 48 hours before clearing an encampment, and offers of shelter and services must precede enforcement. Items of value and personal belongings are required to be stored for at least 60 days, but items posing health or safety hazards may be disposed of immediately.

# **Governor's 2025 Reorganization Plan Could Reshape State Housing and Homelessness Delivery**

Governor Newsom has proposed a 2025 Reorganization Plan that would significantly restructure the state's housing and homelessness functions by creating a new California Housing and Homelessness Agency (CHHA). The plan would consolidate key departments currently under the Business, Consumer Services, and Housing Agency (BCSH)—including HCD, CalHFA, and elements of the Civil Rights Department—into CHHA, and establish a new Housing Development and Finance Committee to coordinate housing-related funding and asset management statewide.

For local agencies, the reorganization is intended to streamline access to state programs, reduce administrative burdens, and improve policy coordination across departments. However, the transition could also affect how housing and homelessness resources are administered, particularly around grant oversight, compliance, and funding allocations.

The Little Hoover Commission has reviewed the proposal, and formal legislative consideration will begin Monday, May 13 at 9:00 AM with a joint hearing of the Assembly Business and Professions Committee and the Assembly Housing and Community Development Committee. The Legislature has 60 days to review, amend, or reject the plan. If no action is taken, the reorganization will take effect automatically.

Local governments are encouraged to track the process closely, engage with their legislative delegations, and submit input to ensure that implementation priorities reflect on-the-ground realities. More information, including the full plan, is available here.

# **PRIORITY LEGISLATION**

# **Legislative Calendar**

Below are the upcoming relevant dates for the Legislature:

June 15<sup>th</sup> – Deadline for Legislature to pass a budget bill
July 18<sup>th</sup> – Deadline for Second House policy committees to pass measures
July 19<sup>th</sup> – August 18<sup>th</sup> – Legislative Summer Recess
August 29<sup>th</sup> – Deadline for Second House fiscal committees to pass measures
September 12<sup>th</sup> – Final day of session. Interim session begins upon adjournment

# **Priority Bills**

AB 306 (Schultz) – Building regulations: state building standards

Effective from June 1, 2025, to June 1, 2031, this measure prohibits cities and counties from modifying building standards, including those related to residential units, unless the California Building Standards Commission (Commission) deems such modifications necessary to protect health and safety as emergency standards. Additionally, AB 306 restricts the Commission from considering, approving, or adopting any new building standards affecting residential units during this period, unless similar emergency conditions are determined to exist. This measure would apply to all cities, including charter cities. Status: This measure was approved on the Assembly Floor (71-9) and is the Senate Housing Committee awaiting consideration.

# AB 544 (Davies) – Electric bicycles: required equipment

Current law requires a bicycle operated during darkness on a highway, sidewalk, or bikeway to be equipped with, among other things, a red reflector or a solid or flashing red light with a built-in reflector on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. Current law defines "bicycle" for these purposes to, among other things, include an electric bicycle. Current law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power and categorizes electric bicycles into 3 classes. This bill would require an electric bicycle during all hours to be equipped with a red reflector or a solid or flashing red light with a built-in reflector on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. Status: This measure was approved by the Senate Transportation Committee (13-0) and has been referred to the Senate Appropriations Committee for consideration.

# AB 650 (Papan) – Housing element: regional housing needs allocation

Current law, under the Planning and Zoning Law, requires a public agency to administer its programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and take no action that is materially inconsistent with its obligation to affirmatively further fair housing. Current law defines "affirmatively furthering fair housing," as provided. The Planning and Zoning Law requires that a housing element include, among other things, a program that sets forth a schedule of actions during the planning period. Current law requires the Department of Housing and Community Development to develop a standardized reporting format for programs and actions taken pursuant to the requirement to affirmatively further fair housing. This bill would require the department to develop the above-described standardized reporting format on or before December 31, 2026. Status: This measure

was approved on the Assembly Floor (79-0) and is in the Senate awaiting referral to policy committee.

# AB 888 (Calderon) – California Safe Homes Grant Program

This bill would establish the California Safe Homes grant program to be developed by the Department of Insurance to reduce local and statewide wildfire losses, among other things. The bill would require the department to prioritize specified needs when awarding grant funds, and would require eligible program applicants, which would include individuals, cities, counties, and special districts, to meet specified criteria. The bill would establish the Sustainable Insurance Account within the Insurance Fund and would make the funds available to the department for the program upon appropriation by the Legislature or upon receipt of federal or other grants or funds. The bill would require the department to collect specified information about the performance of the program and, on or before January 1, 2027, and every 2 years thereafter, to publish a performance report that would be posted to its internet website and submitted to the Legislature. Status: This measure was approved on the Assembly Floor (79-0) and is in the Senate awaiting referral to policy committee.

# SB 79 (Wiener) – Planning and zoning: transit-oriented development

This bill would require that a housing development project, proposed within a specified distance of a transit-oriented development (TOD) stop, be an allowed use on any site zoned for residential, mixed, or commercial development, if the development complies with applicable requirements. The bill would establish requirements concerning height limits, density, and floor area ratio in accordance with a development's proximity to specified tiers of TOD stops. The bill would provide that, for the purposes of the Housing Accountability Act, a proposed development consistent with the applicable standards of these provisions shall be deemed consistent, compliant, and in conformity with prescribed requirements. Status: This measure was approved on the Senate Floor (21-13) and is now in the Assembly awaiting referral to a policy committee.

SB 90 (Seyarto) – Grants: improvement to public evacuation routes: mobile rigid water storage The Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024, known as Proposition 4, allows for \$10 billion in bonds to fund projects related to water safety, drought, wildfire resilience, and climate solutions. Approved in the November 2024 election, it allocates \$1.5 billion for wildfire prevention. This bill would include in the list of eligible projects grants to the above-mentioned entities for improvements to public evacuation routes in very high and high fire hazard severity zones, mobile rigid dip tanks to support firefighting efforts, prepositioned mobile rigid water storage, and improvements to the response and effectiveness of fire engines and helicopters. Status: This measure was held in the Senate Appropriations Committee on the Suspense File. The measure is now a two-year bill and not eligible for additional consideration until January 2026.

# SB 456 (Ashby) – Contractors: exemptions: muralists

Current law makes it a misdemeanor for a person to engage in the business, or act in the capacity, of a contractor without a license, unless exempted. Current law exempts from the Contractors State License Law, among other things, a nonprofit corporation providing assistance to an owner, as specified. This bill would exempt from that law an artist who draws, paints, applies, executes, restores, or conserves a mural pursuant to an agreement with a person who could legally authorize the work. Status: This measure was approved on the Senate Floor (38-0) and is now in the Assembly awaiting referral to a policy committee.

SB 496 (Hurtado) - Advanced Clean Fleet Regulation: appeals advisory committee

This bill would require the state board to establish the Advanced Clean Fleets Regulation Appeals Advisory Committee by an unspecified date for purposes of reviewing appeals of denied requests for exemptions from the requirements of the Advanced Clean Fleets Regulation. The bill would require the committee to include representatives of specified governmental and nongovernmental entities. The bill would require the committee to meet monthly and would require recordings of its meetings to be made publicly available on the state board's internet website. The bill would require the committee to consider, and make a recommendation on, an appeal of an exemption request denial no later than 60 days after the appeal is made. The bill would require specified information relating to the committee's consideration of an appeal to be made publicly available on the state board's internet website. Status: This measure was held in the Senate Appropriations Committee on the Suspense File. The measure is now a two-year bill and not eligible for additional consideration until January 2026.

# SB 569 (Blakespear) – Department of Transportation: homeless encampments

This bill would require the Department of Transportation to establish a dedicated liaison to, among other things, facilitate communication with local governments and relevant state agencies with regard to addressing homeless encampments within the state highway system and to oversee the development and implementation of delegated maintenance agreements between local agencies and the department in which both work together to reduce and remove homeless encampments within the department's jurisdiction. The bill would authorize the department to grant a single general entry permit for the duration of a delegated maintenance agreement to conduct activities authorized by the bill. The bill would require the department to submit an annual report to the Legislature summarizing specified information and recommendations regarding homeless encampments. Status: This measure was approved on the Senate Floor (38-0) and has been referred to the Assembly Transportation Committee for consideration.

# SB 634 (Perez) – Homelessness: civil and criminal penalties

This bill would prohibit a local jurisdiction from adopting a local ordinance, or enforcing an existing ordinance, that prohibits a person or organization from providing support services to a person who is homeless or assisting a person who is homeless with any act related to basic survival. The bill would define various terms for these purposes. The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities. Status: This measure was approved on the Senate Floor (23-11) and is now in the Assembly awaiting referral to a policy committee.

# SB 701 (Wahab) – Signal jammers

Current law makes it an infraction to possess or equip a vehicle with a device that is capable of interfering with a device used by a law enforcement agency to measure the speed of moving objects and makes it a misdemeanor to possess four or more of those devices. This bill would make it a crime to manufacture, import, market, purchase, sell, or operate a signal jammer unless authorized to do so by the Federal Communications Commission, punishable by forfeiture of the signal jamming device, and either as an infraction or a misdemeanor. Status: This measure was approved on the Senate Floor (38-0) and has been referred to the Assembly Public Safety Committee for consideration.

# SB 707 (Durazo) – Open meetings: meeting and teleconference requirements

This bill would, until January 1, 2030, require an eligible legislative body to comply with additional meeting requirements, including that all open and public meetings include an opportunity for members of the public to attend via a 2-way telephonic service or a 2-way audiovisual platform, as defined, and that the eligible legislative body take specified actions to encourage residents to

participate in public meeting. <u>Status: This measure was approved on the Senate Floor (24-6) and</u> is now in the Assembly awaiting referral to a policy committee.

# FEDERAL LEGISLATIVE UPDATES

This month, the House advanced its contribution to the budget reconciliation process by passing H.R. 1, the One Big Beautiful Bill Act, and formally initiated the Appropriations process after the President released a skinny budget request.

The White House kept its attention on foreign conflicts and economic diplomacy, attempting to negotiate trade deals and long-term stability in Ukraine, Gaza, and Iran. Meanwhile executive agencies began implementing the President's January and February executive orders, cancelling grants and shifting funding towards Administration priorities.

# The One Big Beautiful Bill Act Passed by House, Now Faces Amendment in the Senate

On May 22<sup>nd</sup>, the House passed H.R. 1, the One Big Beautiful Bill Act (OBBBA), their contribution to the budget reconciliation package aimed at delivering major portions of President Donald Trump's agenda. The bill now heads to the Senate where it is expected to undergo additional changes in the coming weeks. The bill makes permanent the lower income tax rates from the 2017 Tax Cuts and Jobs Act (TCJA), provides \$150 billion in additional defense and border funding, restarts construction of the border wall, and raises the debt limit by \$4 trillion. It also includes a number of policies the President promised to deliver on the campaign trail that will expire by the end of his presidency, including a standard deduction increase for individuals (with an enhancement for seniors), a child tax credit supplement, no tax on tips and overtime, and a new deduction on interest for car loans. It also increases the State and Local Tax Deduction limit (SALT Cap) to \$40,000, with an income limit of \$500k.

To offset the cost of these policies, longer-standing Republican priorities were added, including welfare program reforms affecting the Supplemental Nutrition Assistance Program (SNAP) and Medicaid, along with reforming student aid and federal pensions, eliminating clean energy tax credits, and rescinding funding for financial watchdogs like the Consumer Financial Protection Bureau.

Republicans in the Senate have indicated their eagerness to amend the package, preserving the energy tax credits and softening the social safety net reforms. Speaker Mike Johnson pushed back on potential changes, citing the approaching X Date, when the US would hit the debt limit and begin to default on its financial obligations, in Mid-August as a fast approaching deadline for passing the bill, which would raise the debt limit.

The Speaker and Senate Majority Leader John Thune have committed to a July 4<sup>th</sup> deadline for delivering the OBBBA to the President's desk.

# Appropriations Process Began in Earnest, Frustration Grows Over Lack of Full Presidential Budget Request

The appropriations process began in earnest this month when the President released a "skinny" budget request on May 2<sup>nd</sup>. The request broadly seeks to codify the cuts made by the Department of Government Efficiency Service (DOGE), lower funding levels or eliminate legacy formula

programs not aligned with the Administration's priorities, and increase defense and immigration enforcement spending.

Due to the drastic nature of the cuts and the lack of specificity on hundreds of programs normally included in a presidential budget request, the document has been seen on Capitol Hill as more of a statement of values than a substantive negotiating framework. Cabinet secretaries spent the middle of the month testifying before the House and Senate Appropriations Committees on the request, and how proposed budget cuts would affect their agencies.

Despite this progress, there is growing frustration with the White House over the lack of a full budget request. A <u>letter</u> from the Ranking Members on the House and Senate Appropriations Committees echoed the concerns expressed during some of the hearings, that there is a lack of clarity on the President's priorities for funding hundreds of specific programs.

House Appropriations Chairman Tom Cole has committed to remaining as "close as possible" to the President's skinny budget request, even releasing a <u>markup calendar</u>, but before markups, subcommittees and House Republican's will have to release draft language with more specifics. The draft language will also likely include lists of the approved Community Projects Funding (earmarks).

# Senate Passes Congressional Review Act Recission of California's Clean Air Act Waivers

On May 22<sup>nd</sup>, the Senate voted to <u>revoke</u> a waiver under the Clean Air Act that allowed California to set its own emissions standards above the federal maximum, specifically to enforce an EV mandate. There are two more waivers covering the phase-out of medium-heavy duty diesel vehicles, and a stricter standard on smog-forming emissions being considered for revocation.

The controversy around these waivers is that both the Senate Parliamentarian and the Government Accountability Office (GAO) have concluded the waivers are not regulations subject to the CRA. The waivers permit California to enforce higher emissions standards than the federal maximum established in the CAA and allows other states to adopt California's higher standards if they choose. Environmental Protection Agency Administrator Lee Zeldin argued that the submission of the waivers as if they were regulations was sufficient for Congress to revoke them. A group of Democratic Senators and Sen. Alex Padilla penned a <u>letter</u> arguing the opposite, stating allowing the vote would break precedent. Senate Minority Leader Chuck Schumer called the move a "nuclear" option effectively destroying the filibuster.

Having passed the House last month, the California Department of Justice and California Attorney General Rob Bonta <u>committed</u> to suing to preserve the waivers.

# DOJ and DHS Formally Designate "Sanctuary Jurisdictions" to Withhold Funding From

Pursuant to the instructions in <a href="Executive Order">Executive Order</a> (EO) 14287 and a prior Department of Justice (DOJ) <a href="mailto:memo">memo</a>, DOJ and the Department of Homeland Security (DHS) <a href="mailto:published">published</a> a list of "sanctuary jurisdictions." Under the EO, these jurisdictions could be prohibited from applying for/receiving federal funding from DOJ, such as upcoming grants for Community Oriented Policing Services (COPS).

In the President's first term, The Second Circuit Court of Appeals <u>held</u> that conditioning DOJ grants on immigration enforcement was allowed based on statute and the relevance of the grant's purpose (law enforcement) with immigration enforcement. As the case never rose to the Supreme

Court, it is likely another challenge will be brought depending on the penalties imposed on listed jurisdictions.

# Governor Gavin Newsom Sues the Administration for a Preliminary Injunction on Tariffs

California Governor Gavin Newsom and Attorney General (AG) Rob Bonta have <u>sued</u> the Trump Administration over the implementation of tariffs, claiming the President is exceeding the emergency authority he used to implement the tariffs. The updated suit also estimated the tariffs in their current form will cost California consumers \$25-40 billion and 64k jobs.

The AG had previously vowed to sue the Administration in April following the President's announcement of high "reciprocal tariffs" on what he then dubbed Liberation Day. Multiple pauses have kept the tariffs on all but Chinese goods around 10% as the Administration now seeks to negotiate new trade deals.

A previous attempt in the Senate to pass a resolution aimed at revoking the emergency authority was blocked by a procedural maneuver in the House stripping it of privileged consideration. It is unclear whether the lawsuit will be successful in obtaining a preliminary injunction.

# DOT Begins Grant Cancellations Subsequent to February Executive Orders, More Expected to Come as Reviews Continue

Department of Transportation (DOT) Secretary Sean Duffy <u>announced</u> the termination of \$54 million in grants that do not align with Administration priorities that the Secretary described as "woke." These cancellations follow several executive orders (EO) by the President directing reviews of discretionary funding recipients to ensure alignment between the Administration and the spending, even if already obligated.

These cancellations represent some of the first subsequent to the EOs, even though the Administration and the Department of Government Efficiency have broadly been cancelling grants and contracts since the inauguration. We expect more cancellations based on the EOs, which may be more durable against court challenges than prior cancellations.

Three of the seven cancelled grants were in California, one of which was for UC Davis's National Center for Sustainable Transportation supporting "accelerating equitable decarbonization" research. The others were a University of Southern California (USC) project researching how "the transportation system creates and perpetuates inequities" and a San Jose State University grant for research on racial disparities in the impact of auto-focused transportation improvements.



# **City of Santa Clara**

2025 Q2 Legislative Bill Matrix

# **Broadband, Cable Service and Wireless Telecommunications LAP**

AB 353 Boerner (D) HTML PDF

Communications: broadband internet service providers: affordable home internet.

#### Progress bar



Bill information

Status: 06/05/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** The Digital Equity Bill of Rights provides that it is the principle of the state to ensure digital

equity for all residents of the state, that residents shall have access to broadband that meets specific requirements. The California Internet Consumer Protection and Net Neutrality Act of 2018 prohibits fixed and mobile internet service providers, as defined, that provide broadband internet access service, as defined, from engaging in specified actions concerning the treatment of internet traffic, including engaging in paid prioritization. This bill would require every California internet service provider, except as specified, to offer for purchase to eligible households, as defined, within their California service territory affordable home internet service that meets minimum speed requirements. The bill would also require every California internet service provider to make commercially reasonable efforts to promote and advertise the availability of affordable home internet service for eligible households, as provided. (Based on

06/03/2025 text)

Location: 06/05/2025 - Senate RLS. Current Text: 06/03/2025 - Amended

**Introduced:** 01/30/2025 (Spot bill) **Last Amend:** 06/03/2025

AB 470 McKinnor (D) HTML PDF

Telephone corporations: carriers of last resort.

#### Progress bar



Bill information

Status: 05/23/2025 - From committee: Do pass and re-refer to Com. on RLS. (Ayes 12. Noes 0.) (May

23). Re-referred to Com. on RLS.

Summary:

Current law vests the Public Utilities Commission with regulatory authority over public utilities, including telephone corporations. Current law authorizes the commission to fix just and reasonable rates and charges for public utilities. Current law requires the commission, on or before February 1, 1995, to issue an order initiating an investigation and open proceeding to examine the current and future definitions of universal service in telecommunications. Pursuant to that provision, the commission issued a decision involving carriers of last resort, including the withdrawal process for carriers of last resort, defined as a carrier who provides local exchange service and stands ready to provide basic service to any customer requesting such service within a specified area. This bill would provide procedures for telephone corporations, upon approval by the commission of specified advice letters filed by the telephone corporations, to be granted relief from their carrier of last resort obligations in areas where the United States Census Bureau reports no population and where telephone corporations provide no basic exchange service to any customer address located within their telephone service territory, and in areas that are well-served, as defined. The bill would require the commission, on or before December 15, 2026, to adopt a map designating well-served areas that are eligible to be amended status areas, as provided, and would require a telephone corporation, when applying for amended status in areas that are well-served, to seek commission approval for amended status in its service territory based on the map. The bill would require telephone corporations to fulfill specified conditions and meet certain notice requirements to be granted relief from their carrier of last resort obligations. (Based on 05/05/2025 text)

Location: 05/23/2025 - Assembly RLS. Current Text: 05/05/2025 - Amended

Introduced: 02/06/2025 (Spot bill) Last Amend: 05/05/2025

# **Community Services LAP**



Homelessness resource telephone system.





Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Would require the County of Los Angeles to establish a homelessness resource telephone

system to receive telephone calls regarding individuals who are experiencing, or at risk of experiencing, homelessness in order to provide those individuals with resources. By imposing new duties on the County of Los Angeles, the bill would impose a state-mandated local

program. (Based on 04/21/2025 text)

**Location:** 06/04/2025 - Senate RLS. **Current Text:** 04/21/2025 - Amended

Introduced: 02/13/2025 Last Amend: 04/21/2025

# **Emergency Management LAP**



California Individual Assistance Act.

Progress bar



#### **Bill information**

Status: 06/11/2025 - Referred to Com. on G.O.

**Summary:** The California Disaster Assistance Act requires the Director of Emergency Services to provide

financial assistance to local agencies for their personnel costs, equipment costs, and the cost of supplies and materials used during disaster response activities, incurred as a result of a state of emergency proclaimed by the Governor, subject to specified criteria. The act

continuously appropriates moneys in the Disaster Assistance Fund and its subsidiary account, the Earthquake Emergency Investigations Account, without regard to fiscal year, for purposes of the act. This bill would enact the California Individual Assistance Act to establish a grant program to provide financial assistance, upon appropriation by the Legislature, to local agencies, community-based organizations, and individuals for specified costs related to a disaster, as prescribed. The bill would require the director to allocate from the fund, subject to

specified conditions, funds to meet the cost of expenses for those purposes. (Based on

05/23/2025 text)

**Location:** 06/11/2025 - Senate G.O. **Current Text:** 05/23/2025 - Amended

Introduced: 01/16/2025 Last Amend: 05/23/2025

AB 370 Carrillo (D) HTML PDF

#### California Public Records Act: cyberattacks.

#### Progress bar



## **Bill information**

Status: 05/28/2025 - Referred to Com. on JUD.

**Summary:** The California Public Records Act requires state and local agencies to make their records

available for public inspection, except as specified. Current law requires each agency, within 10 days of a request for a copy of records, to determine whether the request seeks copies of disclosable public records in possession of the agency and to promptly notify the person of the determination and the reasons therefor. Current law authorizes that time limit to be extended by no more than 14 days under unusual circumstances, and defines "unusual circumstances" to include, among other things, the need to search for, collect, and appropriately examine records during a state of emergency when the state of emergency currently affects the agency's ability to timely respond to requests due to staffing shortages or closure of facilities, as provided. This bill would also expand the definition of unusual circumstances to include the inability of the agency, because of a cyberattack, to access its electronic servers or systems in order to search for and obtain a record that the agency believes is responsive to a request and is maintained on the servers or systems in an electronic format. (Based on 03/12/2025 text)

Location: 05/28/2025 - Senate JUD. Current Text: 03/12/2025 - Amended

Introduced: 02/03/2025 Last Amend: 03/12/2025

AB 624 Dixon (R) HTML PDF

Office of Emergency Services: federal grant funding; Community Relief Act.

# Progress bar



**Bill information** 

**Status:** 04/28/2025 - In committee: Set, second hearing. Hearing canceled at the request of author.

Summary: The California Emergency Services Act establishes the Office of Emergency Services (OES)

within the office of the Governor and sets forth its powers and duties relating to addressing natural, technological, or manmade disasters and emergencies, including responsibility for activities necessary to prevent, respond to, recover from, and mitigate the effects of emergencies and disasters to people and property. This bill would require the OES, to the extent permitted by federal law, to provide to local operational areas and urban areas the maximum local share of federal grant funding administered by the office from the Emergency Management Performance Grant Program. The bill would also require the OES, to the extent permitted by federal law, to provide specified legislative committees with copies of agreements entered into with local governments to spend the state share of federal grant funding

administered by the office from specified federal grant programs, including the State Homeland

Security Grant Program. (Based on 02/13/2025 text)

**Location:** 03/03/2025 - **Current Text:** 02/13/2025 - Introduced

Assembly EMERGENCY

MANAGEMENT

**Introduced:** 02/13/2025

AB 818 Ávila Farías (D) HTML PDF

Permit Streamlining Act: local emergencies.

#### Progress bar



Bill information

Status: 06/04/2025 - Referred to Coms. on L. GOV. and HOUSING.

**Summary:** The Permit Streamlining Act requires a public agency to determine whether an application for a

development project is complete within specified time periods, as specified. The act requires a public agency that is the lead agency for a development project to approve or disapprove that project within specified time periods. Current law, the California Emergency Services Act, among other things, authorizes a local emergency to be proclaimed by the governing body of a city, county, or city and county, as specified, and grants political subdivisions various powers and authorities in periods of local emergency. This bill would require a local agency to approve or disapprove an application for a permit necessary to rebuild or repair an affected property, as defined and specified. The bill would require a local agency to approve an application, within 14 days of receipt of the application, for a construction permit for any of the specified structures intended to be used by a person until the rebuilding or repair of an affected property is

complete. (Based on 04/24/2025 text)

**Location:** 06/04/2025 - Senate L. GOV. **Current Text:** 04/24/2025 - Amended

Introduced: 02/19/2025 Last Amend: 04/24/2025

AB 911 Carrillo (D) HTML PDF

Emergency telecommunications medium- and heavy-duty zero-emission vehicles.

### Progress bar



Bill information

Status: 06/11/2025 - Referred to Coms. on E.Q. and TRANS.

Summary: The State Air Resources Board has adopted the Advanced Clean Fleets Regulations, which

imposes various requirements for transitioning local, state, and federal government fleets of medium- and heavy-duty trucks, other high-priority fleets of medium- and heavy-duty trucks, and drayage trucks to zero-emission vehicles, as provided. This bill would exempt emergency telecommunications vehicles owned or purchased by emergency telecommunications service providers that are used to participate in the federal Emergency Alert System, to provide access to 911 emergency services, or to provide wireless connectivity during service outages from specified requirements in the above-described regulations. (Based on 02/19/2025 text)

Location: 06/11/2025 - Senate E.Q. Current Text: 02/19/2025 - Introduced

**Introduced:** 02/19/2025

SB 616 Rubio (D) HTML PDF

Community Hardening Commission: wildfire mitigation program.





Bill information

**Status:** 06/09/2025 - Referred to Coms. on E.M and INS.

**Summary:** Current law requires the Office of Emergency Services to enter into a joint powers agreement,

as specified, with the Department of Forestry and Fire Protection to develop and administer a comprehensive wildfire mitigation program, known as the California wildfire mitigation financial assistance program, that, among other things, encourages cost-effective structure hardening and retrofitting that creates fire-resistant homes, businesses, and public buildings. This bill would require the joint powers authority to revise the wildfire mitigation program in accordance with prescribed community hardening standards and guidelines developed pursuant to the bill's

provisions, as specified. (Based on 02/20/2025 text)

**Location:** 06/09/2025 - **Current Text:** 02/20/2025 - Introduced

Assembly EMERGENCY

MANAGEMENT

Introduced: 02/20/2025

# **Energy Legislation, Regulations and Issues LAP**

AB 615 Davies (R) HTML PDF

Power facilities: emergency response and action plans.

# Progress bar



**Bill information** 

**Status:** 06/04/2025 - Referred to Com. on E., U & C.

**Summary:** Current law requires an application to be filed with the State Energy Resources Conservation

and Development Commission for certification of a site and related facility which includes an electric transmission line or thermal powerplant, or both. Current law requires the application to contain, among other things, safety and reliability information, including planned provisions for emergency operations and shutdowns, as specified. Current law authorizes a person

proposing an energy storage system to file an application for certification with the commission

in lieu of any permit, certificate, or similar document required by any state, local, or regional agency, or federal agency, as provided. This bill would require that those applications also contain emergency response and action plans, to be paid for by the applicant, that incorporate impacts to the surrounding areas in the event of an emergency and that would be conducted and coordinated with local emergency management agencies, unified program agencies, and local first response agencies. The bill would require that applications for an energy storage system also contain emergency response and action plans to be paid for by the applicant. (Based on 05/05/2025 text)

**Location:** 06/04/2025 - Senate E. U., & C. **Curren** 

Current Text: 05/05/2025 - Amended

Introduced: 02/13/2025 Last Amend: 05/05/2025

AB 1408 Irwin (D) HTML PDF

Electricity: interconnections.

#### Progress bar



Bill information

**Status:** 06/11/2025 - Referred to Com. on E., U & C.

Summary: Would require the Independent System Operator (ISO) to integrate surplus interconnection

considerations into its long-term transmission planning and enhance transparency around

surplus interconnection opportunities. (Based on 05/05/2025 text)

**Location:** 06/11/2025 - Senate E. U., & C. **Current Text:** 05/05/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/05/2025

# Housing LAP



#### The Social Housing Act.

#### Progress bar



**Bill information** 

Status: 06/11/2025 - Referred to Coms. on HOUSING and G.O.

Summary: Would enact the Social Housing Act and would create the California Housing Authority as an

independent state body, the mission of which would be to ensure that social housing developments that are produced and acquired align with the goals of eliminating the gap between housing production and regional housing needs assessment targets and preserving affordable housing. The bill would prescribe a definition of social housing that would describe, in addition to housing owned by the authority, housing owned by other entities, as specified, provided that all social housing developed or authorized by the authority would be owned by

the authority. (Based on 12/02/2024 text)

Location: 06/11/2025 - Senate HOUSING Current Text: 12/02/2024 - Introduced

**Introduced:** 12/02/2024

AB 253 Ward (D) HTML PDF

California Residential Private Permitting Review Act: residential building permits.

## Progress bar



#### Bill information

Status: 04/23/2025 - Re-referred to Coms. on L. GOV. and HOUSING.

**Summary:** Current law authorizes a county's or city's governing body to prescribe fees for permits,

certificates, or other forms or documents required or authorized under the State Housing Law. This bill, the California Residential Private Permitting Review Act, would require a county's or city's building department to prepare a residential building permit fee schedule and post the schedule on the county's or city's internet website, if the county or city prescribes residential

building permit fees. (Based on 03/13/2025 text)

Location: 04/23/2025 - Senate L. GOV. Current Text: 03/13/2025 - Amended

Introduced: 01/15/2025 Last Amend: 03/13/2025

AB 306 Schultz (D) HTML PDF

Building regulations: state building standards.

#### Progress bar



Bill information

Status: 06/10/2025 - From committee chair, with author's amendments: Amend, and re-refer to

committee. Read second time, amended, and re-referred to Com. on HOUSING.

**Summary:** The California Building Standards Law establishes the California Building Standards

Commission (commission) within the Department of General Services. Existing law requires the commission to approve and adopt building standards and to codify those standards in the California Building Standards Code (code). The State Housing Law establishes statewide construction and occupancy standards for buildings used for human habitation. Current law requires, among other things, the building standards adopted and submitted by the department for approval by the commission, as specified, to be adopted by reference, with certain exceptions. Current law authorizes any city or county to make changes in those building standards that are published in the code, including to green building standards. Current law requires the governing body of a city or county, before making modifications or changes to those green building standards, to make an express finding that those modifications or changes are reasonably necessary because of local climatic, geological, or topographical conditions. This bill would, from October 1, 2025, to June 1, 2031, inclusive, prohibit a city or county from making changes that are applicable to residential units to the above-described building standards unless a certain condition is met, including that the commission deems those changes or modifications necessary as emergency standards to protect health and

safety. (Based on 06/10/2025 text)

Location: 04/23/2025 - Senate HOUSING Current Text: 06/10/2025 - Amended

Introduced: 01/23/2025 Last Amend: 06/10/2025

AB 311 McKinnor (D) HTML PDF

Dwelling units: persons at risk of homelessness.

# Progress bar



**Bill information** 

Status: 05/07/2025 - Referred to Com. on JUD.

**Summary:** Prior law, until January 1, 2024, authorized a tenant to temporarily permit the occupancy of

their dwelling unit by a person who is at risk of homelessness, as defined, regardless of the terms of the lease or rental agreement, with the written approval of the owner or landlord of the property, and subject to extension under certain circumstances. Prior law further authorized an owner or landlord to adjust the rent payable under the lease during the time the person who is at risk of homelessness is occupying the dwelling unit, as compensation for the occupancy of that person, and required the terms regarding the rent payable in those circumstances to be agreed to in writing by the owner or landlord and the tenant. This bill, until January 1, 2031, would reinstate the above-described provisions, and would include certain new provisions regarding occupancy. The bill would additionally define "person at risk of homelessness" to include any person who is displaced from their residence as a result of a disaster in a disaster-stricken area in which a state of emergency has been proclaimed by the Governor. The bill, among other things, would permit a tenant, with written approval of the owner or landlord, to temporarily permit the occupancy of their dwelling unit by a person who is at risk of

homelessness and one or more common household pets owned or otherwise maintained by

the person. (Based on 01/23/2025 text)

Location: 05/07/2025 - Senate JUD. Current Text: 01/23/2025 - Introduced

**Introduced:** 01/23/2025

AB 590 Lee (D) HTML PDF

Social Housing Bond Act of 2026.

#### Progress bar



Bill information

**Status:** 03/03/2025 - Referred to Com. on H. & C.D.

**Summary:** Under current law, there are programs providing assistance for, among other things,

emergency housing, multifamily housing, farmworker housing, home ownership, and downpayment assistance for first-time home buyers. Current law also authorizes the issuance of bonds in specified amounts pursuant to the State General Obligation Bond Law and requires that proceeds from the sale of these bonds be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks. This bill would enact the Social Housing Bond Act of 2026 which, if approved by the voters, would authorize the issuance of bonds in the amount of \$950,000,000 pursuant to the State General Obligation Bond Law, to fund social housing programs, as specified. The bill would create the California Housing Authority, which would be governed by the California Housing Authority Board, to ensure that social housing developments that are produced and acquired align with specified goals and would authorize

developments that are produced and acquired align with specified goals and would authorize the authority to issue the bonds and, upon appropriation of the Legislature, utilize funds from other sources to build more low, very low, and extremely low income housing. The bill would create the Social Housing Revolving Loan Fund to be used, upon appropriation of the Legislature, to provide zero-interest loan for the purpose of constructing housing to accommodate a mix of household incomes. (Based on 02/12/2025 text)

Introduced: 02/12/2025 (Spot bill)

AB 610 Alvarez (D) HTML PDF

Location:

#### Housing element: governmental constraints: disclosure statement.

#### Progress bar



**Bill information** 

Status:

06/09/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary:

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development that includes, among other things, a housing element. Current law, commonly referred to as the Housing Element Law, prescribes requirements for a city's or county's preparation of, and compliance with, its housing element, and requires the Department of Housing and Community Development to review and determine whether the housing element substantially complies with the Housing Element Law, as specified. Current law provides that a housing element or amendment is considered substantially compliant with the Housing Element Law when the local agency has adopted a housing element or amendment, the department or a court of competent jurisdiction determines the adopted housing element or amendment to be in substantial compliance with the Housing Element Law, and the department's compliance findings have not been superseded by subsequent contrary findings by the department or by a decision of a court of competent jurisdiction or the court's decision has not been overturned or superseded by a subsequent court decision or by statute. Current law requires the housing element to include an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including, among others, locally adopted ordinances that directly impact the cost and supply of residential development. Current law also requires the analysis to demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need. This bill would require the housing element to include, in addition to the above-described analysis, a governmental constraints disclosure statement, as specified. (Based on 04/10/2025 text)

**Location:** 06/09/2025 - Senate RLS. **Current Text:** 04/10/2025 - Amended

Introduced: 02/13/2025 Last Amend: 04/10/2025

AB 648 Zbur (D) HTML PDF

Community colleges: housing: local zoning regulations: exemption.

# Progress bar



**Bill information** 

Status:

06/04/2025 - Referred to Coms. on ED. and L. GOV.

Summary:

Current law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of postsecondary education in this state. Current law establishes community college districts throughout the state and authorizes them to operate campuses and provide instruction to students. This bill would exempt the construction of faculty and staff housing projects, student housing projects, and university housing development projects, as defined, from local zoning regulations of any city, county, or city and county when constructed on property owned or leased by a community college district if specific requirements are met. (Based on 05/05/2025

text)

**Location:** 06/04/2025 - Senate ED. **Current Text:** 05/05/2025 - Amended

Introduced: 02/13/2025 Last Amend: 05/05/2025

AB 670 Quirk-Silva (D) HTML PDF

Planning and zoning: housing element: converted affordable housing units.

#### Progress bar



Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** The Planning and Zoning Law requires each city, county, and city and county to adopt a

general plan that includes, among other things, a housing element. After a legislative body has adopted all or part of a general plan, existing law requires a planning agency among other things, to provide by April 1 of each year an annual report to specified entities that includes prescribed information, including the number of housing development applications received in the prior year, as specified, the number of units of housing demolished and new units of housing, as specified. This bill would require specified information to be included in the report, including additional information regarding units of new housing, the units of housing

demolished, and a report on replacement housing units, as specified. (Based on 03/28/2025

text)

Location: 06/04/2025 - Senate RLS. Current Text: 03/28/2025 - Amended

Introduced: 02/14/2025 Last Amend: 03/28/2025

AB 712 Wicks (D) HTML PDF

Housing reform laws: enforcement actions: fines and penalties.

#### Progress bar



Bill information

Status: 05/21/2025 - Referred to Coms. on HOUSING and JUD.

**Summary:** Current law within the Planning and Zoning Law describes various reforms and incentives

enacted by the Legislature to facilitate and expedite the construction of affordable housing. Current law within the Planning and Zoning Law, in certain civil actions or proceedings against a public entity that has issued specified approvals for a housing development, authorizes a court to award all reasonably incurred costs of suit to a prevailing public entity or nonprofit housing corporation that is a real party in interest and the permit applicant of the low- or moderate-income housing if the court makes specified findings. This bill, where the applicant for a housing development is a prevailing party in an action brought by the applicant to enforce the public agency's compliance with a housing reform law as applied to the applicant's housing development project, would entitle an applicant for a housing development project to reasonable attorney's fees and costs and would require a court to impose fines on a local agency, as specified. The bill would prohibit a public agency from requiring the applicant to indemnify, defend, or hold harmless the public agency in any action alleging the public agency violated the applicant's rights or deprived the applicant of the benefits or protection provide by

Location: 05/21/2025 - Senate HOUSING Current Text: 05/05/2025 - Amended

Introduced: 02/14/2025 Last Amend: 05/05/2025

a housing reform law. (Based on 05/05/2025 text)

AB 726 Ávila Farías (D) HTML PDF

# Planning and zoning: annual report: rehabilitated units.

#### Progress bar



**Bill information** 

Status: 06/11/2025 - Referred to Com. on HOUSING.

**Summary:** The Planning and Zoning Law requires each county and each city to adopt a comprehensive,

long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other specified mandatory elements, a housing element. That law requires the planning agency of a city or county to provide by April 1 of each year an annual report to, among other entities, the Office of Land Use and Climate Innovation, formerly known as the Office of Planning and Research, and the Department of Housing and Community Development. Current law requires the annual report to include, among other things, the city's or county's progress in meeting its share of regional housing needs, as specified. This bill would permit a local agency to include in its annual report the number of units of existing deed-restricted affordable housing within a specified affordability threshold that are at least 15 years old and have been substantially rehabilitated with at least sixty thousand dollars per unit in funds awarded from the city or county, as specified. (Based on 02/18/2025

text)

Location: 06/11/2025 - Senate HOUSING Current Text: 02/18/2025 - Introduced

**Introduced:** 02/18/2025

AB 736 Wicks (D) HTML PDF

The Affordable Housing Bond Act of 2026.

#### Progress bar



Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** Would enact the Affordable Housing Bond Act of 2026, which, if adopted, would authorize the

issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would be used to finance programs to fund affordable rental housing and home ownership programs, including, among others, the Multifamily Housing Program, the CalHome Program, and the Joe Serna, Jr. Farmworker

Housing Grant Program. (Based on 04/10/2025 text)

Location: 06/04/2025 - Senate RLS. Current Text: 04/10/2025 - Amended

Introduced: 02/18/2025 Last Amend: 04/10/2025

AB 750 Quirk-Silva (D) HTML PDF

Homeless shelters: safety regulations.

# Progress bar



**Bill information** 

Status: 06/10/2025 - From committee chair, with author's amendments: Amend, and re-refer to

committee. Read second time, amended, and re-referred to Com. on HOUSING.

Summary:

Current law requires a city or county that receives a complaint from an occupant of a homeless shelter, as defined, or an agent of an occupant, alleging that a homeless shelter is substandard to inspect the homeless shelter, as specified. Current law requires a city or county that determines a homeless shelter is substandard to issue a notice to correct the violation to the owner or operator of the homeless shelter, as specified. Current law makes the owner or operator of a homeless shelter responsible for correcting any violation cited pursuant to these provisions. This bill would require a city or county to additionally perform an annual inspection of every homeless shelter located in its jurisdiction, as prescribed. The bill would authorize the above-described inspection or annual inspection to be announced or unannounced. The bill would require homeless shelters to prominently display notice of an occupant's rights, the process for reporting a complaint alleging a homeless shelter is substandard, and prescribed information, including specified contact information. The bill would require the homeless shelter to provide the same notice in writing to new occupants upon intake. (Based on 06/10/2025 text)

Location: 05/28/2025 - Senate HOUSING Current Text: 06/10/2025 - Amended

Introduced: 02/18/2025 Last Amend: 06/10/2025

AB 906 González, Mark (D) HTML PDF

Planning and zoning: housing elements: affirmatively furthering fair housing.

#### Progress bar



**Bill information** 

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** The Planning and Zoning Law requires a city or county to adopt a general plan for land use

development that includes, among other things, a housing element. Current law requires the housing element to include, among other things, an inventory of land suitable and available for residential development, including specified sites, an analysis of the relationship of zoning and public facilities and services to these sites (first analysis), and an analysis of the relationship of the sites identified in the land inventory to the jurisdiction's duty to affirmatively further fair housing (2nd analysis). This bill would remove the requirement on cities and counties to include the 2nd analysis in their housing elements. (Based on 04/21/2025 text)

**Location:** 06/04/2025 - Senate RLS. **Current Text:** 04/21/2025 - Amended

Introduced: 02/19/2025 Last Amend: 04/21/2025

AB 1021 Wicks (D) HTML PDF

Housing: local educational agencies.

#### Progress bar



Bill information

Status: 06/04/2025 - Referred to Coms. on L. GOV. and HOUSING.

**Summary:** The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-

term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. That law, until January 1, 2033, deems a housing development project an allowable use on any real property owned by a local educational agency if the housing development satisfies specified conditions, including, among others, consisting of at least 10 housing units, 100% of the units

being rented by local educational agency employees, local public employees, and general members of the public pursuant to a specified priority, and a majority of the units being deed restricted for lower income or moderate-income households, as specified. Existing law, the Housing Accountability Act, among other things, prohibits a local agency from disapproving a housing development project for very low, low-, or moderate-income households unless the local agency makes written findings as to one of certain sets of conditions, as specified, and describes various procedural requirements applicable to housing development projects. This bill would revise and recast the provisions deeming a housing development project an allowable use on any real property owned by a local educational agency. The bill would require the housing development to satisfy specified conditions, and would apply the specified procedural requirements of the Housing Accountability Act to review of housing development projects subject to these provisions. (Based on 05/05/2025 text)

**Location:** 06/04/2025 - Senate L. GOV. **Current Text:** 05/05/2025 - Amended

Introduced: 02/20/2025 Last Amend: 05/05/2025

AB 1061 Quirk-Silva (D) HTML PDF

Housing developments: urban lot splits: historical resources.

#### Progress bar



**Bill information** 

Status:

05/28/2025 - Referred to Coms. on HOUSING and L. GOV.

Summary:

Under the Planning and Zoning Law, the legislative body of a county or city may adopt ordinances that, among other things, regulate the use of buildings, structures, and land, as provided. The Subdivision Map Act vests the authority to regulate and control the design and improvement of subdivisions in the legislative body of a local agency and sets forth procedures governing the local agency's processing, approval, conditional approval or disapproval, and filing of tentative, final, and parcel maps. Current law requires a local agency to consider ministerially a specified proposed housing development or to ministerially approve a parcel map for an urban lot split if the development or parcel meets specified requirements, including, that the development or parcel is not located within a historic district or property included on the State Historic Resources Inventory or within a site that is designated or listed as a city or county landmark or historic property or district pursuant to city or county ordinance, as specified. Current law authorizes a local agency to impose specified objective standards on the development or parcel created by an urban lot split, but prohibits a local agency from, among other things, requiring setback for an existing structure or structure constructed in the same location and to the same dimensions of an existing structure. With respect to ministerial review of a housing development under the above-described provisions, this bill would, if the other specified requirements are met, instead require a local agency to consider ministerially a proposed housing development or that is not located on a parcel individually listed as a historical resource included in the State Historical Resources Inventory, as specified, or within a property individually designated or listed as a city or county landmark under a city or county ordinance. The bill would additionally prohibit the development from demolishing more than 25% of the exterior wall area or affecting the character-defining exterior features of a contributing structure, as specified. (Based on 03/28/2025 text)

Location: 05/28/2025 - Senate HOUSING Current Text: 03/28/2025 - Amended

Introduced: 02/20/2025 Last Amend: 03/28/2025

AB 1154 Carrillo (D) HTML PDF

# Accessory dwelling units: junior accessory dwelling units.

#### Progress bar



**Bill information** 

Status: 05/07/2025 - Referred to Coms. on HOUSING and L. GOV.

The Planning and Zoning Law, among other things, provides for the creation of accessory Summary:

> dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. Existing law prohibits a local agency from imposing parking standards for an accessory dwelling unit under certain circumstances, whether or not the local agency has adopted a local ordinance pursuant to the above provisions. Under existing law, those circumstances include, among others, if the accessory dwelling unit is located within 1/2 of one mile walking distance of public transit or there is a car share vehicle located within one block of the accessory dwelling unit. This bill would additionally prohibit a local agency from imposing any parking standards if the accessory dwelling unit is 500 square feet or smaller. This bill contains other related provisions and other

existing laws. (Based on 02/20/2025 text)

05/07/2025 - Senate HOUSING Location: **Current Text:** 02/20/2025 - Introduced

02/20/2025 Introduced:

AB 1206 Harabedian (D) HTML PDF

Single-family and multifamily housing units: preapproved plans.

#### Progress bar



**Bill information** 

Status: 06/09/2025 - From committee chair, with author's amendments: Amend, and re-refer to

committee. Read second time, amended, and re-referred to Com. on L. GOV.

Summary: The Planning and Zoning Law provides for the adoption and administration of zoning laws,

ordinances, rules and regulations by counties and cities and the implementation of those general plans as may be in effect in those counties or cities. In that regard, current law requires each local agency, by January 1, 2025, to develop a program for the preapproval of accessory dwelling unit plans. This bill would require each local agency, as defined and by July 1, 2026, to develop a program for the preapproval of single-family and multifamily residential housing plans, whereby the local agency accepts single-family and multifamily plan submissions for preapproval and approves or denies the preapproval applications, as specified. The bill would authorize a local agency to charge a fee to an applicant for the preapproval of a single-family or multifamily residential housing plan, as specified. The bill would require the local agency to post preapproved single-family or multifamily residential housing plans and the contact information of the applicant on the local agency's internet website. The bill would prohibit the preapproval program from applying to single-family or multifamily residential housing plans intended for use in certain communities and developments, as specified. The bill would require a local agency to either approve or deny an application for a single-family or multifamily residential housing unit, both as defined, within 30 days if the lot meets certain conditions and the application utilizes either a single-family or multifamily residential housing unit plan preapproved within the current triennial California Building Standards Code rulemaking cycle or a plan that is identical to a plan used in an application for a single-family or multifamily

residential housing unit approved by the local agency within the current triennial California

Building Standards Code rulemaking cycle. (Based on 06/09/2025 text)

**Location:** 05/21/2025 - Senate L. GOV. **Current Text:** 06/09/2025 - Amended

Introduced: 02/21/2025 Last Amend: 06/09/2025

ACA 4 Jackson (D) HTML PDF

## Homelessness and affordable housing.

#### Progress bar



Bill information

**Status:** 05/23/2025 - Coauthors revised. In committee: Hearing postponed by committee.

**Summary:** The California Constitution authorizes the development, construction, or acquisition of

developments composed of urban or rural dwellings, apartments, or other living accommodations for persons of low income financed in whole or in part by the federal government or a state public body, or to which the federal government or a state public body extends assistance, if a majority of the qualified electors of the city, town, or county in which the housing is proposed to be located approves the project by voting in favor thereof, as specified. This measure, the Housing Opportunities Made Equal (HOME) Act, would create an account in the General Fund into which, beginning in the 2027–28 fiscal year, and each fiscal year thereafter until September 30, 2036, a sum would be transferred from the General Fund equal to or greater than 5% of the estimated amount of General Fund revenues for that fiscal year, as specified. The measure would require the moneys in the account to be appropriated by the Legislature to the Business, Consumer Services, and Housing Agency, and would authorize that agency to expend the moneys to fund prescribed matters related to homelessness and affordable housing, including housing and services to prevent and end

homelessness. (Based on 05/05/2025 text)

Location: 05/14/2025 - Assembly APPR. Current Text: 05/05/2025 - Amended

SUSPENSE FILE Last Amend: 05/05/2025

Introduced: 01/24/2025

SB 79 Wiener (D) HTML PDF

Housing development: transit-oriented development.

#### Progress bar



**Bill information** 

Status: 06/16/2025 - Referred to Coms. on H. & C.D., L. GOV., and NAT. RES. From committee with

author's amendments. Read second time and amended. Re-referred to Com. on H. & C.D.

Summary: The Planning and Zoning Law, requires each county and city to adopt a comprehensive, long-

term general plan for the physical development of the county or city, and specified land outside its boundaries, that contains certain mandatory elements, including a land use element and a housing element. The Housing Accountability Act, among other things, requires a local agency that proposes to disapprove a housing development project, as defined, or to impose a condition that the project be developed at a lower density to base its decision on written findings supported by a preponderance of the evidence that specified conditions exist if that project complies with applicable, objective general plan, zoning, and subdivision standards and criteria in effect at the time that the application was deemed complete. The act authorizes the

applicant, a person who would be eligible to apply for residency in the housing development project or emergency shelter, or a housing organization to bring an action to enforce the act's provisions, as provided, and provides for penalties if the court finds that the local agency is in violation of specified provisions of the act. This bill would require that a housing development project, as defined, proposed within a specified distance of a transit-oriented development (TOD) stop, as defined, be an allowed use on any site zoned for residential, mixed, or commercial development, if the development complies with applicable requirements, as specified. The bill would establish requirements concerning height limits, density, and floor area ratio in accordance with a development's proximity to specified tiers of TOD stops, as provided. The bill would provide that, for the purposes of the Housing Accountability Act, a proposed development consistent with the applicable standards of these provisions shall be deemed consistent, compliant, and in conformity with prescribed requirements, as specified. The bill would provide that a local government that denies a project meeting the requirements of these provisions located in a high-resource area, as defined, would be presumed in violation of the Housing Accountability Act, as specified, and immediately liable for penalties, as provided. The bill would specify that a development proposed pursuant to these provisions is eligible for streamlined, ministerial approval pursuant to specified law, except that the bill would exempt a project under these provisions from specified requirements, and would specify that the project is required to comply with certain affordability requirements, under that law. (Based on 06/16/2025 text)

Location: 06/16/2025 - Assembly H. & C.D. | Current Text: 06/16/2025 - Amended

Introduced: 01/15/2025 (Spot bill) Last Amend: 06/16/2025

SB 92 Blakespear (D) HTML PDF

Housing development: density bonuses.

# Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Coms. on H. & C.D. and L. GOV.

**Summary:** Would specify that certain provisions of the Density Bonus Law do not require a city, county, or

city and county to approve, grant a concession or incentive requiring approval of, or waive or reduce development standards otherwise applicable to, transient lodging as part of a housing development, except as specified. The bill would also specify that a city, county, or city and county is authorized, but not required, to provide concessions or incentives or waivers or reductions of development standards allowing for an increase in floor area to apply to the nonresidential portion, or specified parking, of a housing development. (Based on 05/05/2025

text)

**Location:** 06/05/2025 - Assembly H. & C.D. **Current Text:** 05/05/2025 - Amended

Introduced: 01/22/2025 Last Amend: 05/05/2025

SB 336 Wiener (D) HTML PDF

Real property tax: welfare exemption: moderate-income housing.

#### Progress bar



**Bill information** 

**Status:** 05/23/2025 - May 23 hearing: Held in committee and under submission.

Summary:

Current property tax law, pursuant to constitutional authorization, provides for a "welfare exemption" for property used exclusively for religious, hospital, scientific, or charitable purposes and that is owned or operated by certain types of nonprofit entities, if certain qualifying criteria are met. That law provides a partial welfare exemption in the case of residential rental property used for lower income households, as specified, calculated as that percentage of the value of the property that is equal to the percentage that the number of units serving lower income households represents of the total number of residential units. This bill would provide a partial welfare exemption in the case of certain residential rental property used for low- and moderate-income households. The partial exemption would be equal to that percentage of the value of the property that is equal to the percentage that the number of units serving low- and moderate-income households, as defined, represents of the total number of residential units, as provided. The bill would require an owner to make specified certifications, under penalty of perjury, relating to the use of the property. (Based on 05/07/2025 text)

Location: 05/19/2025 - Senate APPR. **Current Text:** 05/07/2025 - Amended

SUSPENSE FILE

05/07/2025 Last Amend:

Introduced: 02/12/2025

SB 417 Cabaldon (D) HTML PDF

The Affordable Housing Bond Act of 2026.

#### Progress bar



**Bill information** 

Status: 02/19/2025 - From printer. May be acted upon on or after March 21.

Summary: Would enact the Affordable Housing Bond Act of 2026, which, if adopted, would authorize the

issuance of bonds in the amount of \$10,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would be used to finance programs to fund affordable rental housing and home ownership programs, including, among others, the Multifamily Housing Program, the CalHome Program, and the Joe Serna, Jr. Farmworker

Housing Grant Program. (Based on 02/18/2025 text)

02/18/2025 - Senate RLS. Location: **Current Text:** 02/18/2025 - Introduced

Introduced: 02/18/2025

SB 486 Cabaldon (D) HTML PDF

Regional housing: public postsecondary education: changes in enrollment levels: California Environmental Quality Act.

#### Progress bar



Bill information

06/05/2025 - Referred to Coms. on H. & C.D. and NAT. RES. Status:

Current law requires certain transportation planning agencies to prepare and adopt regional Summary:

transportation plans directed at achieving a coordinated and balanced regional transportation system. Current law requires each regional transportation plan to include a sustainable communities strategy prepared by each metropolitan planning organization in order to, among other things, identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population

growth, household formation, and employment growth. This bill would require the sustainable communities strategy, in identifying areas within the region sufficient to house all the population of the region, to also take into account changes in enrollment levels at institutions of

public higher education, as defined. (Based on 04/28/2025 text)

**Location:** 06/05/2025 - Assembly H. & C.D. | **Current Text:** 04/28/2025 - Amended

Introduced: 02/19/2025 Last Amend: 04/28/2025

SB 569 Blakespear (D) HTML PDF

## Department of Transportation: homeless encampments.

#### Progress bar



**Bill information** 

**Status:** 06/16/2025 - Referred to Com. on TRANS.

**Summary:** Current law authorizes the Department of Transportation to establish maintenance programs

related to highway cleanup, as specified. This bill would require the department to establish a dedicated liaison to, among other things, facilitate communication with local governments and relevant state agencies with regard to addressing homeless encampments within the state

highway system and to oversee the development and implementation of delegated maintenance agreements between local agencies and the department in which both work together to reduce and remove homeless encampments within the department's jurisdiction.

The bill would authorize the department to grant a single general entry permit for the duration of a delegated maintenance agreement to conduct activities authorized by the bill. The bill would require the department to submit an annual report to the Legislature summarizing specified information and recommendations regarding homeless encampments. (Based on

04/21/2025 text)

Location: 06/16/2025 - Assembly TRANS. Current Text: 04/21/2025 - Amended

Introduced: 02/20/2025 Last Amend: 04/21/2025

SB 627 Wiener (D) HTML PDF

Law enforcement: masks.

# Progress bar



**Bill information** 

Status: 06/16/2025 - From committee with author's amendments. Read second time and amended.

Re-referred to Com. on L. GOV.

Summary: Current law makes it a misdemeanor to wear a mask, false whiskers, or any personal disguise,

as specified, with the purpose of evading or escaping discovery, recognition, or identification while committing a public offense, or for concealment, flight, evasion, or escape from arrest or conviction for any public offense. This bill would make it a misdemeanor for a law enforcement

officer to wear any mask or personal disguise while interacting with the public in the

performance of their duties, except as specified. The bill would define law enforcement officer as any officer of a local, state, or federal law enforcement agency, or any person acting on behalf of a local, state, or federal law enforcement agency. By creating a new crime, this bill

would impose a state-mandated local program. (Based on 06/16/2025 text)

Location: 05/29/2025 - Assembly L. GOV. Current Text: 06/16/2025 - Amended

Introduced: 02/20/2025 Last Amend: 06/16/2025

SB 733 Wahab (D) HTML PDF

Planning and zoning: annual progress report: Low Barrier Navigation Centers.

#### Progress bar



Bill information

**Status:** 05/12/2025 - Referred to Com. on H. & C.D.

**Summary:** Existing law, the Planning and Zoning Law, requires each county and each city to adopt a

comprehensive, long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other specified mandatory elements, a housing element. That law requires the planning agency of a city or county to provide by April 1 of each year an annual report to, among other entities, the Office of Land Use and Climate Innovation, formerly known as the Office of Planning and Research, and the Department of Housing and Community Development that includes, among other specified information, the number of units of housing demolished and new units of housing that have been issued a completed entitlement, a building permit, or a certificate of occupancy, thus far in the housing element cycle. This bill would require a city or county to submit as part of its annual report information on the permitting of any Low Barrier Navigation Centers in its jurisdiction. By increasing the scope of data required to be reported in the annual report, the bill would impose a state-mandated local program. The bill would also make a nonsubstantive change to update a reference to the Office of Land Use and Climate Innovation in these provisions. This bill contains other related provisions and other existing laws. (Based on

02/21/2025 text)

**Location:** 05/12/2025 - Assembly H. & C.D. **Current Text:** 02/21/2025 - Introduced

Introduced: 02/21/2025

SB 748 Richardson (D) HTML PDF

Encampment Resolution Funding program: safe parking sites: reporting.

## Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Coms. on H. & C.D. and HUM. S.

Summary: Current law establishes the Encampment Resolution Funding program, administered by the

Department of Housing and Community Development, to increase collaboration between the department, local jurisdictions, and continuums of care for, among other things, providing encampment resolution grants to local jurisdictions and continuums of care to resolve critical encampment concerns and transition individuals into safe and stable housing. This bill would additionally include, as purposes of the program, assisting local jurisdictions that are urban communities within a county with operating safe parking sites while locating interim or

permanent housing. (Based on 05/01/2025 text)

**Location:** 06/05/2025 - Assembly H. & C.D. **Current Text:** 05/01/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/01/2025

SB 808 Caballero (D) HTML PDF

Civil Actions: writs: housing development projects.

## Progress bar



Bill information

Status: 06/05/2025 - Referred to Com. on JUD.

Summary: Existing law sets forth an expedited procedure for judicial review of decisions by a local public

agency regarding the issuance, revocation, suspension, or denial of a permit involving expressive conduct protected by the First Amendment to the United States Constitution, as specified. This bill would provide similar expedited judicial review for denials of permits or other entitlements for housing development projects or residential units at the trial and appellate level, as specified. The bill would authorize a petitioner, the Attorney General, or the Department of Housing and Community Development to file a petition for writ of mandate under these provisions. The bill would require a local agency, upon the request of an applicant or notice from the department or the Attorney General, to compile a record of its proceedings as they occur and to certify the record within 15 days of the service of a writ. The bill would require that a hearing be set no later than 45 days after the filing of the writ and that the court issue a decision no later than 30 days after the matter is submitted or 75 days after the writ was filed, whichever is earlier. The bill would authorize the temporary assignment of judicial

officers to ensure the timelines are met. (Based on 05/23/2025 text)

Location: 06/05/2025 - Assembly JUD. Current Text: 05/23/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/23/2025

# **Human Resources and Public Sector Employment LAP**

AB 339 Ortega (D) HTML PDF

Local public employee organizations: notice requirements.

#### Progress bar



Bill information

**Status:** 06/13/2025 - In committee: Set, first hearing. Hearing canceled at the request of author.

Summary:

The Meyers-Milias-Brown Act contains various provisions that govern collective bargaining of local represented employees and delegates jurisdiction to the Public Employment Relations Board to resolve disputes and enforce the statutory duties and rights of local public agency employers and employees. Current law requires the governing body of a public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Current law requires the governing body of a public agency, and boards and commissions designated by law or by the governing body, to give reasonable written notice, except in cases of emergency, as specified, to each recognized employee organization affected of any ordinance, rule, resolution, or regulation directly relating to matters within the scope of representation proposed to be adopted by the governing body or the designated boards and commissions. This bill would require the governing body of a public agency, and boards and commissions designated by law or by the governing body of a public agency, to give the recognized employee organization no less than 120 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract to perform services that are

within the scope of work of the job classifications represented by the recognized employee organization. The bill would require the notice to include specified information, including the anticipated duration of the contract. The bill would also require the public agency, if an emergency or other exigent circumstance prevents the public agency from providing the written notice described above, to provide as much advance notice as is practicable under the circumstances. (Based on 05/23/2025 text)

**Location:** 06/11/2025 - Senate L., P.E. & R. | **Current Text:** 05/23/2025 - Amended

Introduced: 01/28/2025 Last Amend: 05/23/2025

AB 340 Ahrens (D) HTML PDF

Employer-employee relations: confidential communications.

#### Progress bar



#### Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** Current law that governs the labor relations of public employees and employers, including,

among others, the Meyers-Milias-Brown Act, the Ralph C. Dills Act, provisions relating to public schools, and provisions relating to higher education, prohibits employers from taking certain actions relating to employee organization, including imposing or threatening to impose reprisals on employees, discriminating or threatening to discriminate against employees, or otherwise interfering with, restraining, or coercing employees because of their exercise of their guaranteed rights. Those provisions of current law further prohibit denying to employee organizations the rights guaranteed to them by current law. This bill would prohibit a public employer from questioning a public employee, a representative of a recognized employee organization, or an exclusive representative regarding communications made in confidence between an employee and an employee representative in connection with representation relating to any matter within the scope of the recognized employee organization's

representation. (Based on 03/05/2025 text)

**Location:** 06/04/2025 - Senate RLS. **Current Text:** 03/05/2025 - Amended

Introduced: 01/28/2025 Last Amend: 03/05/2025

SB 456 Ashby (D) HTML PDF

Contractors: exemptions: muralists.

### Progress bar



**Bill information** 

Status: 06/12/2025 - Re-referred to Coms. on A.,E.,S., & T. and B. & P. pursuant to Assembly Rule 96.

**Summary:** Current law makes it a misdemeanor for a person to engage in the business, or act in the

capacity, of a contractor without a license, unless exempted. Current law exempts from the Contractors State License Law, among other things, a nonprofit corporation providing assistance to an owner, as specified. This bill would exempt from that law an artist who draws,

paints, applies, executes, restores, or conserves a mural, as defined, pursuant to an agreement with a person who could legally authorize the work. (Based on 04/02/2025 text)

Location: 06/12/2025 - Assembly A.,E.,S., & Current Text: 04/02/2025 - Amended

T. **Last Amend:** 04/02/2025

Introduced:

02/19/2025

# Public Safety LAP

AB 400 Pacheco (D) HTML PDF

Law enforcement: police canines.

#### Progress bar



**Bill information** 

Status: 06/11/2025 - Referred to Com. on PUB. S.

Current law requires law enforcement agencies to maintain a policy on the use of force, as Summary:

specified. Current law establishes the Commission on Peace Officer Standards and Training (POST) and charges it with, among other duties, developing uniform, minimum guidelines for adoption and promulgation by law enforcement agencies for use of force. This bill would require, on or before January 1, 2027, every law enforcement agency, as defined, with a canine unit to maintain a policy for the use of canines by the agency that, at a minimum, complies with the most recent standards established by POST. (Based on 02/04/2025 text)

Location: 06/11/2025 - Senate PUB. S. **Current Text:** 02/04/2025 - Introduced

Introduced: 02/04/2025

AB 426 Dixon (R) HTML PDF

Impeding emergency response with drone.

#### Progress bar



Bill information

Status: 06/09/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Current law excuses a local public entity or public employee from liability for damage to an

unmanned aircraft or unmanned aircraft system, if the damage was caused while the local public entity or public employee of a local public entity was providing, and the unmanned aircraft or unmanned aircraft system was interfering with, the operation, support, or enabling of any emergency service, as specified. Current law imposes liability for physical invasion of privacy on a person if the person knowingly enters onto the land or into the airspace above the land of another person without permission or otherwise commits a trespass in order to capture any image or recording of the other person engaging in a private activity and the invasion occurs in a manner that is offensive to a reasonable person. This bill would prohibit a person from operating or using an unmanned aerial vehicle, remote piloted aircraft, or drone at the scene of an emergency and thereby impeding firefighters, peace officers, medical personnel, military personnel, or other emergency personnel in the performance of their fire suppression, law enforcement, or emergency response duties, unless the person has a federal operational waiver, as specified. The bill would authorize the Attorney General or a county counsel or city attorney to bring civil action to enforce the prohibition and authorize a prevailing plaintiff to recover civil penalties, injunctive relief, or reasonable attorney's fees and costs, as

specified. (Based on 04/02/2025 text)

Location: 06/09/2025 - Senate RLS. **Current Text:** 04/02/2025 - Amended Introduced: 02/05/2025 Last Amend: 04/02/2025

AB 1178 Pacheco (D) HTML PDF

Peace officers: confidentiality of records.

#### Progress bar



Bill information

**Status:** 06/11/2025 - Read second time and amended. Re-referred to Com. on APPR.

Summary: The California Public Records Act generally requires public records to be open for inspection

by the public. Current law provides numerous exceptions to this requirement. The personnel records of peace officers and custodial officers are confidential and not subject to public inspection and current law provides certain exemptions to this confidentiality. Current law authorizes an agency to redact the records disclosed for specified purposes including, among others, to remove personal data or information, as specified, and where there is a specific, articulable, and particularized reason to believe that disclosure of the record would pose a significant danger to the physical safety of the peace officer, custodial officer, or another person. This bill would require a court, in determining whether there is a specific, articulable, and particularized reason to believe that disclosure of the record would pose a significant danger to the physical safety of a person, to consider whether a particular peace officer is currently operating undercover and their duties demand anonymity. (Based on 06/11/2025 text)

Location: 06/10/2025 - Senate APPR. Current Text: 06/11/2025 - Amended

Introduced: 02/21/2025 Last Amend: 06/11/2025

AB 1388 Bryan (D) HTML PDF

Law enforcement: settlement agreements.

### Progress bar



Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:** Existing law establishes the Commission on Peace Officer Standards and Training, and

requires the commission to, among other things, establish a certification program for peace officers, as defined. Existing law requires the commission to establish procedures for accepting complaints from members of the public regarding peace officers or law enforcement agencies that may be investigated. Existing law establishes, within the commission, the Peace Officer Standards Accountability Division and requires the division, among other things, to bring proceedings seeking the suspension or revocation of certification of a peace officer. This bill would additionally exempt agreements between an employing agency and a peace officer that, among other things, require the agency to destroy, remove, or conceal a record of a

misconduct investigation. The bill would declare that its provisions are severable. This bill contains other related provisions and other existing laws. (Based on 05/23/2025 text)

Location: 06/04/2025 - Senate RLS. Current Text: 05/23/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/23/2025

# **Regional Issues and Collaboration LAP**

AB 259 Rubio, Blanca (D) HTML PDF

Open meetings: local agencies: teleconferences.

#### Progress bar



Bill information

Status: 05/14/2025 - Referred to Coms. on L. GOV. and JUD.

**Summary:** The Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative

body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Current law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative

teleconferencing procedures until January 1, 2030. (Based on 04/21/2025 text)

**Location:** 05/14/2025 - Senate L. GOV. **Current Text:** 04/21/2025 - Amended

Introduced: 01/16/2025 Last Amend: 04/21/2025

AB 1237 McKinnor (D) HTML PDF

Ticket sellers: event tickets: transit tickets.

### Progress bar



**Bill information** 

**Status:** 06/02/2025 - Withdrawn from committee. Re-referred to Coms. on B. P. & E.D. and TRANS.

Summary: Would require a ticket seller or a person who resells a ticket to a sporting, musical, theatre, or

any other entertainment event located at a venue with a capacity of more than 1,000 persons to also, at the time that a ticket is purchased, give the consumer the option to purchase an all-day ticket from a transit provider that offers service to the venue during the time of the event, as specified. The bill would also require the Department of Transportation to prepare a study of additional transit sales generated pursuant to these provisions and report its findings to the Legislature on or before December 31, 2032. The bill would provide that a violation of the bill's

provisions do not constitute a crime. (Based on 05/29/2025 text)

**Location:** 06/02/2025 - Senate B., P. & E.D. **Current Text:** 05/29/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/29/2025

SB 233 Seyarto (R) HTML PDF

Regional housing need: determination: consultation with councils of governments.



### **Bill information**

Status: 05/12/2025 - Referred to Coms. on H. & C.D. and L. GOV.

**Summary:** The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-

term general plan for the physical development of the county or city, which includes, among other mandatory elements, a housing element. Current law requires, for the 4th and subsequent revisions of the housing element, the Department of Housing and Community Development, in consultation with each council of governments, where applicable, to determine the existing and projected need for housing for each region, as prescribed. Current law requires, among other things, the department to meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs at least 26 months prior to the scheduled revision of the housing element and before developing the existing and projected housing need for a region. This bill would require the department to meet and consult with the council of governments, as described above, pursuant to prescribed deadlines. For the 7th revision of the housing element, the bill would require the department to meet and consult with each council of governments at least 38 months prior to the scheduled revision, except for specified councils of

governments. (Based on 03/03/2025 text)

**Location:** 05/12/2025 - Assembly H. & C.D. | **Current Text:** 03/03/2025 - Amended

Introduced: 01/28/2025 Last Amend: 03/03/2025

SB 707 Durazo (D) HTML PDF

Open meetings: meeting and teleconference requirements.

### Progress bar



### **Bill information**

Status: 06/09/2025 - Referred to Com. on L. GOV.

Summary: The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a legislative

body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. This bill would, until January 1, 2030, require an eligible legislative body, as defined, to comply with additional meeting requirements, including that, except as specified, all open and public meetings include an opportunity for members of the public to attend via a 2-way telephonic service or a 2-way audiovisual platform, as defined, and that the eligible legislative body take specified actions to encourage residents to participate in public

meetings, as specified. (Based on 05/29/2025 text)

**Location:** 06/09/2025 - Assembly L. GOV. **Current Text:** 05/29/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/29/2025

# Sustainability and Environmental Protection LAP

AB 39 Zbur (D) HTML PDF

General plans: Local Electrification Planning Act.



**Bill information** 

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary:

The Planning and Zoning Law requires a city or county to adopt a comprehensive general plan for the city's or county's physical development that includes various elements, including, among others, a land use element that designates the proposed general distribution and general location and extent of the uses of the land in specified categories, and a circulation element that identifies the location and extent of existing and proposed major thoroughfares, transportation routes, terminals, any military airports and ports, and other local public utilities and facilities, as specified. This bill, the Local Electrification Planning Act, would require each city, county, or city and county, on or after January 1, 2027, but no later than January 1, 2030, to prepare and adopt a specified plan, or integrate a plan in the next adoption or revision of the general plan, that includes locally based goals, objectives, policies, and feasible implementation measures that include, among other things, the identification of opportunities to expand electric vehicle charging and other zero-emission vehicle fueling infrastructure, as specified, and includes policies and implementation measures that address the needs of disadvantaged communities, low-income households, and small businesses for equitable and prioritized investments in zero-emission technologies that directly benefit these groups. (Based on 05/27/2025 text)

Location: 06/04/2025 - Senate RLS. Current Text: 05/27/2025 - Amended

Introduced: 12/02/2024 Last Amend: 05/27/2025

AB 620 Jackson (D) HTML PDF

Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program: rental vehicles.

### Progress bar



**Bill information** 

**Status:** 06/11/2025 - Referred to Coms. on E.Q. and TRANS.

Summary:

Current law establishes the Medium- and Heavy-Duty Zero-Emission Vehicle Fleet Purchasing Assistance Program (program) within the Air Quality Improvement Program to make financing tools and nonfinancial supports available to operators of medium- and heavy-duty vehicle fleets to enable those operators to transition their fleets to zero-emission vehicles. This bill, for any regulation adopted to develop or implement the program, or other regulations that are regarding the procurement or use of medium- and heavy-duty zero-emission vehicles by a public or private fleet, would require the state board to consider specified things, including, among other things, the environmental and supply chain benefits of renting medium- and heavy-duty zero-emission vehicles compared to procuring them. (Based on 02/13/2025 text)

Location: 06/11/2025 - Senate E.Q. Current Text: 02/13/2025 - Introduced

**Introduced:** 02/13/2025

AB 915 Petrie-Norris (D) HTML PDF

Clean energy project siting and permitting.

### Progress bar



**Bill information** 

**Status:** 06/11/2025 - Referred to Com. on E., U & C.

Summary: Current law requires the State Energy Resources Conservation and Development Commission

(Energy Commission) and the Public Utilities Commission to submit a joint Reliability Planning Assessment to the Legislature on a quarterly basis. Current law requires that assessment to report on significant delays or barriers affecting the timely deployment of renewable energy and zero-carbon resources, including, among other things, permitting processes. This bill would require the Energy Commission to establish a state central pool of subject matter experts with experience in clean energy project siting and permitting. (Based on 05/23/2025

text)

**Location:** 06/11/2025 - Senate E. U., & C. **Current Text:** 05/23/2025 - Amended

Introduced: 02/19/2025 Last Amend: 05/23/2025

SB 74 Seyarto (R) HIML PDF

Office of Land Use and Climate Innovation: Infrastructure Gap-Fund Program.

#### Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Com. on L. GOV.

Summary: Current law establishes the Office of Land Use and Climate Innovation in the Governor's office

for the purpose of serving the Governor and the Governor's cabinet as staff for long-range planning and research and constituting the comprehensive state planning agency. Current law authorizes a local agency to finance infrastructure projects through various means, including by authorizing a city or county to establish an enhanced infrastructure financing district to finance public capital facilities or other specified projects of communitywide significance that provide significant benefits to the district or the surrounding community. This bill would require the office, upon appropriation by the Legislature, to establish the Infrastructure Gap-Fund Program to provide grants to local agencies for the development and construction of infrastructure projects, as defined, facing unforeseen costs after starting construction. The bill would authorize the office to provide funding for up to 20% of a project's additional projected cost, as defined, after the project has started construction, subject to specified conditions, including, among other things, that the local agency has allocated existing local tax revenue for at least 45% of the initially budgeted total cost of the infrastructure project. When applying to the program, the bill would require the local agency to demonstrate challenges with completing the project on time and on budget and how the infrastructure project helps meet state and local

goals, as specified. (Based on 04/07/2025 text)

06/05/2025 - Assembly L. GOV. Current Text: 04/07/2025 - Amended

Introduced: 01/15/2025 Last Amend: 04/07/2025

SB 682 Allen (D) HTML PDF

Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl substances.

### Progress bar

Location:



**Bill information** 

**Status:** 06/09/2025 - Referred to Com. on E.S & T.M.

Summary:

(1)Existing law requires the Department of Toxic Substances Control, on or before January 1, 2029, to adopt regulations to enforce specified covered perfluoroalkyl and polyfluoroalkyl substances (PFAS) restrictions, which include prohibitions on the distribution, sale, or offering for sale of certain products that contain specified levels of PFAS. Existing law requires the department, on and after July 1, 2030, to enforce and ensure compliance with those provisions and regulations, as provided. Existing law requires manufacturers of these products, on or before July 1, 2029, to register with the department, to pay a registration fee to the department. and to provide a statement of compliance certifying compliance with the applicable prohibitions on the use of PFAS to the department, as specified. Existing law authorizes the department to test products and to rely on third-party testing to determine compliance with prohibitions on the use of PFAS, as specified. Existing law requires the department to issue a notice of violation for a product in violation of the prohibitions on the use of PFAS, as provided. Existing law authorizes the department to assess an administrative penalty for a violation of these prohibitions and authorizes the department to seek an injunction to restrain a person or entity from violating these prohibitions, as specified. This bill would, on and after January 1, 2027, prohibit a person from distributing, selling, or offering for sale a cleaning product, cookware, dental floss, juvenile product, food packaging, or ski wax, as provided, that contains intentionally added PFAS, as defined, except for previously used products and as otherwise preempted by federal law. (Based on 05/23/2025 text)

**Location:** 06/09/2025 - Assembly E.S. &

T.M.

Introduced: 02/21/2025

Current Text: 05/23/2025 - Amended

Last Amend: 05/23/2025

## **Transportation Issues LAP**

AB 544 Davies (R) HTML PDF

Electric bicycles: required equipment.

### Progress bar



**Bill information** 

**Status:** 06/10/2025 - From committee: Do pass and re-refer to Com. on APPR. with recommendation:

To Consent Calendar. (Ayes 13. Noes 0.) (June 10). Re-referred to Com. on APPR.

Summary: Current law requires a bicycle operated during darkness on a highway, sidewalk, or bikeway to

be equipped with, among other things, a red reflector or a solid or flashing red light with a built-in reflector on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. Current law defines "bicycle" for these purposes to, among other things, include an electric bicycle. Current law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power and categorizes electric bicycles into 3 classes. A violation of the provisions relating to the requirements for equipping a bicycle or an electric bicycle is punishable as an infraction. This bill would require an electric bicycle during all hours to be equipped with a red reflector or a solid or flashing red light with a built-in reflector on the rear that is visible from a distance of 500 feet to the rear when directly in front of lawful upper

beams of headlamps on a motor vehicle. (Based on 03/24/2025 text)

Location: 06/10/2025 - Senate APPR. Current Text: 03/24/2025 - Amended

Introduced: 02/11/2025 Last Amend: 03/24/2025

AB 939 Schultz (D) HTML PDF

The Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026.

#### Progress bar



Bill information

Status: 03/10/2025 - Referred to Com. on TRANS.

Summary: Would enact the Safe, Sustainable, Traffic-Reducing Transportation Bond Act of 2026 which, if

approved by the voters, would authorize the issuance of bonds in the amount of

\$20,000,000,000 pursuant to the State General Obligation Bond Law to finance transit and passenger rail improvements, local streets and roads and active transportation projects, zeroemission vehicle investments, transportation freight infrastructure improvements, and grade separations and other critical safety improvements. The bill would provide for the submission of the bond act to the voters at the November 3, 2026, statewide general election. (Based on

02/19/2025 text)

Location: 03/10/2025 - Assembly TRANS.

**Current Text:** 02/19/2025 - Introduced

Introduced: 02/19/2025

SB 63 Wiener (D) HTML PDF

San Francisco Bay area: local revenue measure: transportation funding.

#### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on TRANS. and REV. & TAX.

Summary:

(1)Existing law creates the Metropolitan Transportation Commission as a local area planning agency for the 9-county San Francisco Bay area with comprehensive regional transportation planning and other related responsibilities. Existing law creates various transit districts located in the San Francisco Bay area, with specified powers and duties relating to providing public transit services. This bill would establish the Transportation Revenue Measure District with jurisdiction extending throughout the boundaries of the Counties of Alameda and Contra Costa and the City and County of San Francisco and would require the district to be governed by the same board that governs the commission, thereby imposing a state-mandated local program. The bill would authorize a retail transactions and use tax applicable to the entire district to be imposed by the board of the district or by a qualified voter initiative for a duration of 10 to 15 years, inclusive, and generally in an amount of 0.5%, subject to voter approval at the November 3, 2026, statewide general election. After allocations are made for various administrative expenses, the bill would require an unspecified portion of the proceeds of the tax to be allocated by the commission to initiatives included in a specified commission plan and to the Alameda-Contra Costa Transit District, the Peninsula Rail Transit District, commonly known as Caltrain, the San Francisco Bay Area Rapid Transit District, and the San Francisco Municipal Transportation Agency for operating expenses, and would require the remaining proceeds to be subvened directly to the counties comprising the district for public transportation expenses, as prescribed. This bill contains other related provisions and other existing laws. (Based on 05/23/2025 text)

06/09/2025 - Assembly TRANS. Location: **Current Text:** 05/23/2025 - Amended

Introduced: 01/09/2025 (Spot bill) Last Amend: 05/23/2025 SB 445 Wiener (D) HTML PDF

Transportation: planning: complete streets facilities: sustainable transportation projects.

#### Progress bar



Bill information

Status: 05/28/2025 - Read third time. Passed. (Ayes 34. Noes 1.) Ordered to the Assembly. In

Assembly. Read first time. Held at Desk.

**Summary:** This bill would instead require the Department of Transportation to develop and adopt the

above-described project intake, evaluation, and encroachment review process on or before February 1, 2027. The bill would also state the intent of the Legislature to amend this bill with legislation that accelerates and makes more reliable third-party permits and approvals for preconstruction and construction activities on sustainable transportation projects. (Based on

04/10/2025 text)

Location: 05/28/2025 - Assembly DESK Current Text: 04/10/2025 - Amended

Introduced: 02/18/2025 Last Amend: 04/10/2025

SB 671 Cervantes (D) HTML PDF

Pedestrian crossing signals.

#### Progress bar



Bill information

**Status:** 05/12/2025 - Referred to Com. on TRANS.

Summary: Under current law, a pedestrian control signal showing a "WALK" or approved "Walking

Person" symbol means a pedestrian may proceed across the roadway in the direction of the signal. Under existing law, a pedestrian facing a flashing "DON'T WALK" or "WAIT" or approved "Upraised Hand" symbol with a "countdown" signal, as specified, means a pedestrian may start crossing the roadway in the direction of the signal but requires the pedestrian to finish crossing prior to the display of the steady "DON'T WALK" or "WAIT" or approved "Upraised Hand" symbol, as specified. Upon the first placement or replacement of a trafficactuated signal, as specified, current law requires that traffic-actuated signal to be installed and maintained to detect bicycle or motorcycle traffic on the roadway. For these purposes, current law defines a traffic-actuated signal as an official traffic signal, as specified, that displays one or more of its indications in response to traffic detected by mechanical, visual, electrical, or other means. Upon the first placement or replacement of a state-owned or -operated trafficactuated signal, current law requires that the traffic-actuated signal to be installed and maintained to have a leading pedestrian interval (LPI) and include the installation, activation, and maintenance of an accessible pedestrian signal (APS) and detector that complies with certain sections of the California Manual on Uniform Traffic Control Devices (CA MUTCD). At crosswalks with state-owned or -operated traffic-actuated signals and pedestrian hybrid beacons with pedestrian signal heads, this bill would require the walk indication and other visual signals to comply with CA MUTCD. The bill would require these pedestrian signal heads to have an APS pushbutton or touch-free APS that activates "WALK" or "DON'T WALK" intervals and other visual signals at signalized intersections in nonvisual formats. The bill would require touch-free APS to be installed at new signalized pedestrian crossings on capital projects on the state highway system, encroachment projects, and highway maintenancefunded projects, as specified. The bill would require, as soon as practicable, all existing state-owned or -operated traffic signals located in certain areas to be identified and recorded in the Department of Transportation management system (TMS) inventory database to assist future annual operational review requirements and coordination with local agencies for delegated signals. The bill would require LPIs to be implemented at these existing state-owned or -operated traffic signals locations at the next opportunity for regularly scheduled operational reviews. (Based on 02/20/2025 text)

**Location:** 05/12/2025 - Assembly TRANS.

Current Text: 02/20/2025 - Introduced

**Introduced:** 02/20/2025

SB 720 Ashby (D) HTML PDF

### Automated traffic enforcement system programs.

### Progress bar



**Bill information** 

Status: 06/09/2025 - Referred to Coms. on TRANS. and P. & C.P.

Summary:

Current law authorizes the limit line, intersection, or other places where a driver is required to stop to be equipped with an automated traffic enforcement system if the governmental agency utilizing the system meets certain requirements, including identifying the system with signs and ensuring that the system meets specified criteria on minimum yellow light change intervals. Current law authorizes, until January 1, 2032, the Cities of Los Angeles, San Jose, Oakland, Glendale, and Long Beach, and the City and County of San Francisco to establish a speed safety system pilot program for speed enforcement that utilizes a speed safety system in specified areas, if the system meets specified requirements. Existing law prescribes specified requirements for a notice of violation issued pursuant to these provisions, and requires a violation of a speed law that is recorded by a speed safety system to be subject only to a specified civil penalty. This bill would additionally authorize a city, county, or city and county to establish an automated traffic enforcement system program to use those systems to detect a violation of a traffic control signal, if the system meets specified requirements. The bill would require a violation of a traffic control signal that is recorded by an automated traffic enforcement system to be subject only to a \$100 civil penalty, as specified. (Based on 05/01/2025 text)

**Location:** 06/09/2025 - Assembly TRANS.

Current Text: 05/01/2025 - Amended

Introduced: 02/21/2025 Las

Last Amend: 05/01/2025

# Water Supply and Conservation LAP

AB 794 Gabriel (D) HTML PDF

California Safe Drinking Water Act: emergency regulations.

### Progress bar



Bill information

Status: 06/12/2025 - Ordered to inactive file at the request of Assembly Member Gabriel.

Summary:

The California Safe Drinking Water Act (state act) requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. The state board's duties include, but are not limited to, enforcing the federal Safe Drinking Water Act (federal act) and adopting and enforcing regulations. Current law authorizes the state board to adopt as an emergency regulation, a regulation that is not more stringent than, and is not materially different in substance and effect than, the requirements of a regulation promulgated under the federal act, with a specified exception. This bill would provide that the authority of the state board to adopt an emergency regulation pursuant to these provisions includes the authority to adopt requirements of a specified federal regulation that was in effect on January 19, 2025, regardless of whether the requirements were repealed or amended to be less stringent. The bill would prohibit an emergency regulation adopted pursuant to these provisions from implementing less stringent drinking water standards, as provided, and would authorize the regulation to include monitoring requirements that are more stringent than the requirements of the federal regulation. The bill would prohibit maximum contaminant levels and compliance dates for maximum contaminant levels adopted as part of an emergency regulation from being more stringent than the maximum contaminant levels and compliance dates of a regulation promulgated pursuant to the federal act. (Based on

04/10/2025 text)

06/12/2025 - Assembly INACTIVE

**Current Text:** 04/10/2025 - Amended

**FILE** 

04/10/2025 Last Amend:

Introduced: 02/18/2025

SB 454 McNerney (D) HTML PDF

State Water Resources Control Board: PFAS Mitigation Program.

### Progress bar

Location:



Bill information

Status:

06/05/2025 - Referred to Com. on E.S & T.M.

Summary:

Existing law designates the State Water Resources Control Board as the agency responsible for administering specific programs related to drinking water, including, among others, the California Safe Drinking Water Act and the Emerging Contaminants for Small or Disadvantaged Communities Funding Program. This bill, which would become operative upon an appropriation by the Legislature, would enact a PFAS mitigation program. As part of that program, the bill would create the PFAS Mitigation Fund in the State Treasury and would authorize certain moneys in the fund to be expended by the state board, upon appropriation by the Legislature, for specified purposes. The bill would authorize the state board to seek out and deposit nonstate, federal, and private funds, require those funds to be deposited into the PFAS Mitigation Fund, and continuously appropriate the nonstate, federal, and private funds in the fund to the state board for specified purposes. The bill would authorize the state board to establish accounts within the PFAS Mitigation Fund. The bill would authorize the state board to expend moneys from the fund in the form of a grant, loan, or contract, or to provide assistance services to water suppliers and sewer system providers, as those terms are defined, for multiple purposes, including, among other things, to cover or reduce the costs for water suppliers associated with treating drinking water to meet the applicable state and federal maximum perfluoroalkyl and polyfluoroalkyl substances (PFAS) contaminant levels. The bill would require a water supplier or sewer system provider to include a clear and definite purpose for how the funds will be used to provide public benefits to their community related to safe drinking water, recycled water, or treated wastewater in order to be eligible to receive funds.

The bill would require the state board to adopt guidelines to implement these provisions, as

provided. (Based on 05/23/2025 text)

**Location:** 06/05/2025 - Assembly E.S. &

T.M.

02/19/2025

Current Text: 05/23/2025 - Amended

Last Amend: 05/23/2025

## League of California Cities Sponsored Legislation

AB 424 Davies (R) HTML PDF

Alcohol and other drug programs: complaints.

### Progress bar

Introduced:



Bill information

**Status:** 06/04/2025 - Referred to Com. on HEALTH.

Summary: Would, when the Department of Health Care Services receives a complaint against a licensed

alcohol or other drug recovery or treatment facility, or a complaint alleging that a facility is unlawfully operating without a license, from a member of the public, require the department to provide, within 30 10 days of the date of the complaint, notice to the person filing the complaint that the complaint has been received and to provide, upon closing the complaint, notice to the person filing the complaint that the complaint has been closed and whether the department

found the facility to be in violation of the provisions governing facility licensure and

regulation. (Based on 03/19/2025 text)

Location: 06/04/2025 - Senate HEALTH Current Text: 03/19/2025 - Amended

Introduced: 02/05/2025 Last Amend: 03/19/2025

AB 476 González, Mark (D) HTML PDE

Metal theft.

### Progress bar



**Bill information** 

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Current law governs the business of buying, selling, and dealing in secondhand and used

machinery and all ferrous and nonferrous scrap metals and alloys, also known as "junk." Current law requires junk dealers and recyclers to keep a written record of all sales and purchases made in the course of their business, including the place and date of each sale or purchase of junk and a description of the item or items, as specified. Current law requires the written record to include a statement indicating either that the seller of the junk is the owner of it, or the name of the person they obtained the junk from, as shown on a signed transfer document. Current law prohibits a junk dealer or recycler from providing payment for nonferrous materials until the junk dealer or recycler obtains a copy of a valid driver's license of the seller or other specified identification. Current law requires a junk dealer or recycler to preserve the written record for at least 2 years. This bill would require junk dealers and recyclers to include additional information in the written record, including the time and amount paid for each sale or purchase of junk made, and the name of the employee handling the

transaction. The bill would revise the type of information required to be included in the description of the item or items of junk purchased or sold, as specified. (Based on 05/01/2025

text)

**Location:** 06/04/2025 - Senate RLS. **Current Text:** 05/01/2025 - Amended

Introduced: 02/10/2025 Last Amend: 05/01/2025

AB 492 Valencia (D) HTML PDF

Alcohol and drug programs: licensing.

### Progress bar



**Bill information** 

Status: 06/12/2025 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 6. Noes 0.)

(June 11). Re-referred to Com. on APPR.

**Summary:** Would require the State Department of Health Care Services, whenever it issues a license to

operate an alcohol or other drug recovery or treatment facility, to concurrently provide written notification of the issuance of the license to the city or county in which the facility is located. The bill would require the notice to include the name and mailing address of the licensee and

the location of the facility. (Based on 02/10/2025 text)

Location: 06/11/2025 - Senate APPR. Current Text: 02/10/2025 - Introduced

Introduced: 02/10/2025

AB 650 Papan (D) HTML PDF

Planning and zoning: housing element: regional housing needs allocation.

### Progress bar



Bill information

Status: 06/11/2025 - Referred to Com. on HOUSING.

**Summary:** Current law requires a public agency to administer its programs and activities relating to

housing and community development in a manner to affirmatively further fair housing, and take no action that is materially inconsistent with its obligation to affirmatively further fair housing. Current law defines "affirmatively furthering fair housing," as provided. The Planning and Zoning Law requires that a housing element include, among other things, a program that sets forth a schedule of actions during the planning period. Current law requires the Department of Housing and Community Development to develop a standardized reporting format for programs and actions taken pursuant to the requirement to affirmatively further fair housing.

programs and actions taken pursuant to the requirement to affirmatively further fair housing.

This bill would require the department to develop the above-described standardized reporting

format on or before December 31, 2026. (Based on 04/24/2025 text)

Location: 06/11/2025 - Senate HOUSING Current Text: 04/24/2025 - Amended

Introduced: 02/13/2025 Last Amend: 04/24/2025

AB 846 Connolly (D) HTML PDF

Endangered species: incidental take: wildfire preparedness activities.



**Bill information** 

**Status:** 06/11/2025 - Referred to Com. on N.R. & W.

Summary:

The California Endangered Species Act prohibits the taking of an endangered, threatened, or candidate species, except as specified. Under the act, the Department of Fish and Wildlife (department) may authorize the take of listed species by certain entities through permits or memorandums of understanding for specified purposes. Current law requires the State Fire Marshal to identify areas in the state as moderate, high, and very high fire hazard severity zones based on consistent statewide criteria and based on the severity of fire hazard that is expected to prevail in those areas. Existing law requires a local agency to designate, by ordinance, moderate, high, and very high fire hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the State Fire Marshal, as provided. This bill would authorize a city, county, city and county, special district, or other local agency to submit to the department a wildfire preparedness plan to conduct wildfire preparedness activities on land designated as a fire hazard severity zone, as defined, that minimizes impacts to wildlife and habitat for candidate, threatened, and endangered species. The bill would require the wildfire preparedness plan to include, among other things, a brief description of the planned wildfire preparedness activities, the approximate dates for the activities, and a description of the candidate, endangered, and threatened species within the plan area. The bill would authorize the department to impose a fee on a local agency for the cost of reviewing a wildfire preparedness plan submitted by that local agency, as specified. The bill would require the department, if sufficient information is included in the wildfire preparedness plan for the department to determine if an incidental take permit is required, to notify the local agency within 90 days of receipt of the wildfire preparedness plan if an incidental take permit or other permit is needed, or if there are other considerations, exemptions, or streamlined pathways that the wildfire preparedness activities qualify for, including, but not limited to, the State Board of Forestry and Fire Protection's California Vegetation Treatment Program. The bill would require the department to provide the local agency, in its notification, with guidance that includes, among other things, a description of the candidate, endangered, and threatened species within the plan area and measures to avoid, minimize, and fully mitigate the take of the candidate, threatened, and endangered species, as provided. (Based on 05/23/2025 text)

**Location:** 06/11/2025 - Senate N.R. & W. **Current Text:** 05/23/2025 - Amended

**Introduced:** 02/19/2025 **Last Amend:** 05/23/2025

AB 996 Pellerin (D) HTML PDF

Public Resources: sea level rise plans.

### Progress bar



**Bill information** 

**Status:** 06/11/2025 - Referred to Com. on N.R. & W.

**Summary:** Current law requires local governments lying in whole or in part within the coastal zone or

within the jurisdiction of the San Francisco Bay Conservation and Development Commission to, on or before January 1, 2034, develop a sea level rise plan with specified required content as part of a local coastal program that is subject to approval by the California Coastal Commission or the San Francisco Bay Conservation and Development Commission. This bill would authorize the applicable commission, when approving a local coastal plan or an amendment to a local coastal plan, to deem existing sea level rise information or plans

prepared by a local government to satisfy the content requirements for a sea level rise

plan. (Based on 05/23/2025 text)

**Location:** 06/11/2025 - Senate N.R. & W. **Current Text:** 05/23/2025 - Amended

Introduced: 02/20/2025 (Spot bill) Last Amend: 05/23/2025

SB 35 Umberg (D) HTML PDF

### Alcohol and drug programs.

#### Progress bar



Bill information

Status: 06/11/2025 - From committee with author's amendments. Read second time and amended.

Re-referred to Com. on HEALTH.

**Summary:** Current law provides for the licensure and regulation of adult alcohol or other drug recovery or

treatment facilities by the State Department of Public Health and prohibits the operation of one of those facilities without a current valid license. Current law requires the department, if a facility is alleged to be in violation of that prohibition, to conduct a site visit to investigate the allegation. Current law requires, if the department's employee or agent finds evidence that the facility is providing services without a license, the employee or agent to take specified actions, including, among others, submitting the findings of the investigation to the department and issuing a written notice to the facility that includes the date by which the facility is required to cease providing services. Current law establishes the Drug Medi-Cal Treatment Program (Drug Medi-Cal) and authorizes the State Department of Health Care Services to enter into a Drug Medi-Cal contract with each county for the provision of alcohol and drug use services within the county service area. This bill would require the department, if it determines it has jurisdiction over the allegation, to initiate that investigation within 10 days of receiving the allegation and, except as specified, complete the investigation within 60 days of initiating the investigation. The bill would require the department, if it receives a complaint that does not fall under its jurisdiction, to notify the complainant that it does not investigate that type of complaint. The bill would require the employee or agent to provide the notice described above within 10 days of the employee or agency submitting their findings to the department and to conduct a followup site visit to determine whether the facility has ceased providing services by the date specified in the notice. The bill would authorize, in counties that elect to administer the Drug Medi-Cal organized delivery system and that provide optional recovery housing services, the county behavioral health agency to request approval from the department to conduct a site visit of a recovery residence that is alleged to be operating without a license. (Based on

06/11/2025 text)

Location: 06/05/2025 - Assembly HEALTH Current Text: 06/11/2025 - Amended

Introduced: 12/03/2024 Last Amend: 06/11/2025

SB 329 Blakespear (D) HTML PDF

Alcohol and drug recovery or treatment facilities: investigations.

## Progress bar



**Bill information** 

**Status:** 06/05/2025 - Referred to Com. on HEALTH.

Summary:

Current law provides for the licensure and regulation of alcohol or other drug recovery or treatment facilities by the State Department of Health Care Services. Current law prohibits operating an alcohol or other drug recovery or treatment facility to provide recovery, treatment, or detoxification services within this state without first obtaining a current valid license. If a facility is alleged to be providing those services without a license, existing law requires the department to conduct a site visit to investigate the allegation. Current law also authorizes the department to conduct announced or unannounced site visits to licensed facilities for the purpose of reviewing them for compliance, as specified. This bill would require the department to assign a complaint under its jurisdiction regarding an alcohol or other drug recovery or treatment facility to an analyst for investigation within 10 days of receiving the complaint. If the department receives a complaint that does not fall under its jurisdiction, the bill would require the department to notify the complainant, in writing, that it does not investigate that type of complaint. (Based on 03/28/2025 text)

Location: 06/05/2025 - Assembly HEALTH Current Text: 03/28/2025 - Amended

Introduced: 02/11/2025 Last Amend: 03/28/2025

SB 346 Durazo (D) HTML PDF

Local agencies: transient occupancy taxes: short-term rental facilitator.

#### Progress bar



Bill information

**Status:** 06/05/2025 - Referred to Coms. on L. GOV. and JUD.

Summary:

Existing law authorizes a local authority, by ordinance or resolution, to regulate the occupancy of a room or rooms, or other living space, in a hotel, inn, tourist home or house, motel, or other lodging for a period of less than 30 days. This bill would authorize a local agency, defined to mean a city, county, or city and county, to enact an ordinance to require a short-term rental facilitator, as defined, to report, in the form and manner prescribed by the local agency, the physical address, including 9-digit ZIP Code, of each short-term rental, as defined, during the reporting period, as well as any additional information necessary to identify the property as may be required by the local agency. The bill would authorize the local agency to impose an administrative fine or penalty for failure to file the report, and would authorize the local agency to initiate an audit of a short-term rental facilitator, as described. The bill would require a shortterm rental facilitator, in a jurisdiction that has adopted an ordinance, to include in the listing of a short-term rental any applicable local license number associated with the short-term rental and any transient occupancy tax certification issued by a local agency. The bill would state these provisions do not preempt a local agency from adopting an ordinance that regulates short-term rentals, short-term rental facilitators, or the payment and collection of transient occupancy taxes in a manner that differs from those described in the bill. (Based on 05/08/2025 text)

**Location:** 06/05/2025 - Assembly L. GOV. **Current Text:** 05/08/2025 - Amended

Introduced: 02/12/2025 Last Amend: 05/08/2025

# **Local Representative Legislation**

AB 243 Ahrens (D) HTML PDF

Postsecondary education: student financial aid dependency status: juveniles.

### Progress bar



Bill information

Status: 06/12/2025 - Read second time and amended. Re-referred to Com. on JUD.

Summary: A provision of the Donahoe Higher Education Act requires the California State University, and

requests the University of California, to annually report on or before March 31, to the Legislature on their respective institutional financial aid programs. The act applies to the University of California only to the extent that the regents, by appropriate resolution, make it applicable. Current law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. For purposes of making an unusual circumstances adjustment regarding the dependency status of student financial aid and institutional financial aid applicants attending, or applying to attend, a California State University, California Community College, or University of California campus, this bill would require a financial aid administrator of the segment or the commission, as applicable, to accept a sworn statement containing information signed under penalty of perjury by an authorized representative of a local educational agency, county child welfare department, or probation department as sufficient documentation, as specified. By expanding the crime of perjury, the bill would impose a state-mandated local program. By imposing new duties on community college districts, the bill would impose a state-mandated local program. (Based on 06/12/2025 text)

Location: 06/11/2025 - Senate JUD. Current Text: 06/12/2025 - Amended

Introduced: 01/14/2025 Last Amend: 06/12/2025

AB 398 Ahrens (D) HTML PDF

Personal income tax: Earned Income Tax Credit.

### Progress bar



Bill information

**Status:** 05/23/2025 - In committee: Held under submission.

Summary:

The Personal Income Tax Law, in modified conformity with federal income tax laws, allows an earned income tax credit against personal income tax and a payment from the Tax Relief and Refund Account, a continuously appropriated fund, for an allowable credit in excess of tax liability to an eligible individual that is equal to that portion of the earned income tax credit allowed by federal law, as determined by the earned income tax credit adjustment factor, as specified. The law provides that the amount of the credit is calculated as a percentage of the eligible individual's earned income and is phased out above a specified amount as income increases, and provides alternative calculation factors under specified circumstances. Current law, for taxable years beginning on or after January 1, 2020, and until and including the taxable year in which the minimum wage is set at \$15 per hour, requires the phaseout percentage for eligible individuals to be recalculated by the Franchise Tax Board so that the calculated amount of credit for a taxpayer with an earned income of \$30,000 is equal to zero. This bill, for taxable years beginning on or after January 1, 2025, if the amount of credit computed for an eligible individual is less than \$355, as specified, would allow the credit for the eligible individual to be \$355 instead, except as otherwise specified. (Based on 02/04/2025 text)

**Location:** 05/21/2025 - Assembly APPR.

SUSPENSE FILE

**Introduced:** 02/04/2025

AB 461 Ahrens (D) HTML PDF

Truancy: CalWORKs: school attendance.

#### Progress bar



**Bill information** 

Status: 06/11/2025 - Referred to Coms. on HUMAN S. and PUB. S.

**Summary:** The Compulsory Education Law generally makes persons between the ages of 6 and 18 years

of age subject to compulsory full-time education, unless exempted. Current law also requires children in a CalWORKs assistance unit for whom school attendance is compulsory to attend school, except as specified. Under existing law, the needs of a child in the assistance unit who is 16 years of age or older are not considered in computing the specified grant of the family for any month in which the county is informed by a school district or a county school attendance review board that the child did not attend school, unless at least one of certain conditions is present. This bill would, commencing July 1, 2026, or the date when the State Department of Social Services has made a specified determination, whichever is later, repeal the requirement under CalWORKs for a child in an assistance unit to attend school and would repeal the prohibition against considering the needs of a child in an assistance unit who is 16 years of age or older who did not attend school, thereby allowing the needs of that child to be considered in computing the monthly family grant. The bill would, commencing on the date those provisions are repealed, if a county human services agency is informed that a child is not complying with the Compulsory Education Law, require the county human services agency to screen the family for family stabilization services and authorize the child, if they are 16 years of age or older, to voluntarily participate in the welfare-to-work program. By increasing the duties of county human services agencies, this bill would impose a state-mandated local

**Current Text:** 

02/04/2025 - Introduced

program. (Based on 03/24/2025 text)

**Location:** 06/11/2025 - Senate HUM. S. **Current Text:** 03/24/2025 - Amended

Introduced: 02/06/2025 Last Amend: 03/24/2025

AB 537 Ahrens (D) HTML PDF

Community colleges: California College Promise.

### Progress bar



**Bill information** 

Status: 06/11/2025 - Referred to Com. on ED.

**Summary:** Current law establishes the California College Promise, under the administration of the

Chancellor of the California Community Colleges, to provide funding, upon appropriation by the Legislature, to each community college meeting prescribed requirements. Current law authorizes a community college to use that funding to waive some or all of the fees for 2 academic years for first-time community college students and returning community college students, as defined, who are enrolled in 12 or more semester units or the equivalent, or less for students certified as "full time" by a staff person in the disabled student services program, as specified, and who complete and submit either a Free Application for Federal Student Aid or

a California Dream Act application, except as provided. This bill would instead require, for purposes of eligibility for the California College Promise, that students be enrolled in 9 or more, rather than 12 or more, semester units or the equivalent, or less for a student certified as eligible, based on a commitment by the student that is analogous to the 9 semester unit or equivalent workload, by a staff person in the disabled student services program. (Based on 05/23/2025 text)

Location: 06/11/2025 - Senate ED. **Current Text:** 05/23/2025 - Amended

Introduced: 02/11/2025 Last Amend: 05/23/2025

AB 635 Ahrens (D) HTML PDF

### Mobilehome Residency Law Protection Program: Attorney General.

### Progress bar



#### Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Current law establishes within the Department of Housing and Community Development the

Mobilehome Residency Law Protection Program, which authorizes additional enforcement measures for violations of the Mobilehome Residency Law. Current law requires the department to refer any alleged violations of law or regulations within the department's jurisdiction to the Division of Codes and Standards within the department, and to refer any alleged violations of law or regulations that are not within the jurisdiction of the department, as specified, to the appropriate enforcement agency. This bill would require the department to refer up to a total of 25 alleged violations of the Mobilehome Residency Law to the office of the Attorney General in any given fiscal year that the department in good faith efforts selects as the most severe, deleterious, and materially and economically impactful alleged violations. The bill would authorize the Attorney General to arbitrate, mediate, negotiate, or pursue any and all available judicial remedies in connection with any alleged violations of the law referred by the

department. (Based on 04/10/2025 text)

Location: 06/04/2025 - Senate RLS. **Current Text:** 04/10/2025 - Amended

Introduced: 02/13/2025 Last Amend: 04/10/2025

AB 985 Ahrens (D) HTML PDF

### Anesthesiologist assistants.

### Progress bar



Bill information

Status: 06/04/2025 - In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Current law provides for the licensure and regulation of specified healing arts licensees.

including, among others, physicians and surgeons, physician assistants, nurses, and nurse anesthetists. Current unfair competition laws establishes a statutory cause of action for unfair competition, including any unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising. This bill, the Anesthesiologist Assistant Practice Act, would make it unlawful for any person to hold themselves out as an anesthesiologist assistant, as defined, unless they meet specified requirements. The bill would make it an unfair business practice to violate these provisions. The bill would require an anesthesiologist

assistant to work under the direction and supervision of an anesthesiologist, and would require

the anesthesiologist to be physically present on the premises, and immediately available, to oversee and take responsibility for medical services rendered by the anesthesiologist

assistant. (Based on 03/24/2025 text)

06/04/2025 - Senate RLS. **Current Text:** 03/24/2025 - Amended

Introduced: 02/20/2025 Last Amend: 03/24/2025

AB 1314 Ahrens (D) HTML PDF

### Transitional housing placement providers.

#### Progress bar

Location:



#### Bill information

Status: 06/11/2025 - Referred to Com. on HUMAN S.

The California Community Care Facilities Act requires the State Department of Social Services Summary:

> to license and regulate transitional housing placement providers, which is defined as organizations licensed by the department to provide transitional housing to foster children at least 16 years of age and not more than 18 years of age and to nonminor dependents to promote their transition to adulthood. Current law requires the department to adopt regulations governing transitional housing placement living arrangement requirements for minors and nonminor dependents, including allowing a participant to share a bedroom or unit with certain other individuals and requiring all counties and program contracts to allow participants and those certain other individuals to share bedrooms, bathrooms, and units together, regardless of gender identity. Under existing law, a violation of the act is a misdemeanor. This bill would require all counties and program contracts to follow, and not have requirements that are more stringent than, the requirements adopted pursuant to the above-described provisions, as

specified. (Based on 03/10/2025 text)

Location: 06/11/2025 - Senate HUM. S. **Current Text:** 03/10/2025 - Amended

Introduced: 02/21/2025 Last Amend: 03/10/2025

AB 1332 Ahrens (D) HTML PDF

Medicinal cannabis: shipments.

## Progress bar



Bill information

Status: 06/11/2025 - Referred to Coms. on B. P. & E.D. and L. GOV.

Summary: Current law, the Compassionate Use Act of 1996, an initiative measure enacted by Proposition

215 at the November 6, 1996, statewide general election, declares that its purpose is, among other things, to ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes, as specified, and exempts from state criminal liability certain patients and their primary caregivers who possess or cultivate marijuana for the personal medical purposes of the patient. This bill, until January 1, 2029, would authorize a licensed microbusiness with an M-license whose licensed activities include retail sale, distribution, and outdoor cultivation to directly ship certain medicinal cannabis or medicinal cannabis products to a medicinal cannabis patient in the state, if the licensed microbusiness complies with specified requirements, including that the medicinal cannabis is only shipped to a medicinal cannabis patient who cannot access or utilize a cannabis retailer or delivery within 60 miles of the patient's location, the amount shipped to a medicinal cannabis patient in a single day does not

exceed specified possession limits, and the package is received and signed for by someone 21 years of age or older. The bill would require a microbusiness shipping directly to a patient to comply with specified laws and regulations governing cannabis retailers for purposes of that shipment. If the medicinal cannabis patient is a qualified patient that possesses a valid physician's recommendation, the bill would require the retailer to certify in writing that they verified the recommendation and would require the retailer to keep a copy of that certification for no less than 7 years. The bill would amend the Medicinal Cannabis Patients' Right of Access Act to, among other things, prohibit a local jurisdiction from adopting or enforcing any regulation that prohibits the retail sale by shipment within the local jurisdiction of medicinal cannabis to medicinal cannabis patients or their primary caregivers by a licensed microbusiness with an M-license, as specified. (Based on 04/21/2025 text)

**Location:** 06/11/2025 - Senate B., P. & E.D. **Current Text:** 04/21/2025 - Amended

Introduced: 02/21/2025 Last Amend: 04/21/2025

SB 30 Cortese (D) HTML PDF

Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions.

#### Progress bar



#### **Bill information**

**Status:** 06/05/2025 - Referred to Com. on TRANS.

**Summary:** Would prohibit a public entity that owns diesel-powered on-track equipment from selling,

donating, or otherwise transferring that equipment for continued use after the public entity decommissions the equipment. The bill would exempt the sale, donation, or transfer of that equipment from the prohibition if certain criteria are satisfied, including, among others, that the equipment is deemed to be in one of specified categories of emissions standards designated by the federal government for locomotives and the public entity certifies that the transaction will lead to a net air quality benefit where the receiving entity will be using the equipment. (Based

on 05/05/2025 text)

Location: 06/05/2025 - Assembly TRANS. Current Text: 05/05/2025 - Amended

Introduced: 12/02/2024 (Spot bill) Last Amend: 05/05/2025

SB 61 Cortese (D) HTML PDF

Private works of improvement: retention payments.

### Progress bar



**Bill information** 

Status: 05/12/2025 - Referred to Com. on JUD.

**Summary:** Current law generally governs retention payments withheld with respect to a contract for a

private work of improvement, including by requiring an owner that withholds a retention from a direct contractor to, within 45 days after completion of the work of improvement, pay the retention to the contractor. This bill would limit the amount of a retention payment with respect to a contract for a private work of improvement by, among other things, prohibiting a retention payment withheld from a payment by an owner from the direct contractor, by the direct contractor from any subcontractor, and by a subcontractor from any subcontractor thereunder, for a private work of improvement, from exceeding 5% of the payment, subject to certain

exceptions. (Based on 03/26/2025 text)

Location: 05/12/2025 - Assembly JUD. Current Text: 03/26/2025 - Amended

Introduced: 01/09/2025 Last Amend: 03/26/2025

SB 254 Becker (D) HTML PDF

Electricity: wildfire mitigation: rate assistance: Policy-Oriented and Wildfire Electric Reimbursement (POWER) Program.

#### Progress bar



**Bill information** 

Status: 06/16/2025 - Referred to Coms. on U. & E. and NAT. RES.

Summary: Current law establishes the Wildfire Safety Division and requires the division to perform certain

regulatory functions related to the wildfire mitigation plans of electrical corporations. Current law transferred all functions of the Wildfire Safety Division to the Office of Energy Infrastructure Safety effective July 1, 2021. This bill would repeal the Wildfire Safety Division. (Based on

05/28/2025 text)

**Location:** 06/16/2025 - Assembly U. & E. **Current Text:** 05/28/2025 - Amended

Introduced: 02/03/2025 Last Amend: 05/28/2025

SB 257 Wahab (D) HTML PDF

Pregnancy As a Recognized Event for Nondiscriminatory Treatment (PARENT) Act.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Com. on HEALTH.

**Summary:** Current law provides for the regulation of disability insurers by the Department of Insurance.

Current law requires a health care service plan or disability insurer to allow an individual to enroll in or change their health benefit plan as a result of a specified triggering event. Current law prohibits a health care service plan contract or disability insurance policy issued, amended, renewed, or delivered on or after July 1, 2003, from imposing a copayment or deductible for specified maternity services that exceeds the most common amount of the copayment or deductible imposed for services provided for other covered medical conditions. This bill, the Pregnancy As a Recognized Event for Nondiscriminatory Treatment (PARENT) Act, would make pregnancy a triggering event for purposes of enrollment or changing a health benefit plan. The bill would prohibit a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2026, that provides coverage for maternity services or newborn and pediatric care services from taking specified actions based on the circumstances of conception, including denying, limiting, or seeking reimbursement for maternity services or newborn and pediatric care services because the enrollee or insured is

acting as a gestational carrier. (Based on 02/03/2025 text)

Location: 06/09/2025 - Assembly HEALTH Current Text: 02/03/2025 - Introduced

**Introduced:** 02/03/2025

SB 258 Wahab (D) HTML PDF

Crimes: rape.



#### **Bill information**

Status: 06/09/2025 - Referred to Com. on PUB. S.

**Summary:** Current law defines rape as an act of sexual intercourse accomplished under certain

circumstances, including with a person not the spouse of the perpetrator where the person is incapable of giving legal consent because of a mental disorder or developmental or physical disability. This bill would remove the spousal exception from this definition of rape. (Based on

05/01/2025 text)

Location: 06/09/2025 - Assembly PUB. S. Current Text: 05/01/2025 - Amended

Introduced: 02/03/2025 Last Amend: 05/01/2025

SB 259 Wahab (D) HTML PDF

### Fair Online Pricing Act.

#### Progress bar



#### **Bill information**

Status: 06/13/2025 - From committee with author's amendments. Read second time and amended.

Re-referred to Com. on P. & C.P.

**Summary:** The California Consumer Privacy Act of 2018 grants to a consumer various rights with respect

to personal information, as defined, that is collected by a business, as defined, including the right to request that a business delete personal information about the consumer that the business has collected from the consumer and to direct a business that sells or shares personal information about the consumer to third parties not to sell or share the consumer's personal information. This bill, the Fair Online Pricing Act, would, subject to specified exceptions, prohibit a price offered to a consumer through the consumer's online device, as defined, from being generated in whole, or in part, based on any of certain input data, including the presence or absence of any software on the online device. (Based on 06/13/2025 text)

Location: 06/05/2025 - Assembly P. & C.P. | Current Text: 06/13/2025 - Amended

Introduced: 02/03/2025 (Spot bill) Last Amend: 06/13/2025

SB 261 Wahab (D) HTML PDF

### Division of Labor Standards Enforcement: orders, decisions, and awards.

### Progress bar



### Bill information

Status: 06/16/2025 - Referred to Coms. on L. & E. and JUD.

**Summary:** Existing law establishes the Division of Labor Standards Enforcement, under the direction of

the Labor Commissioner, within the Department of Industrial Relations and sets forth its powers and duties regarding the enforcement of labor laws. Existing law authorizes the commissioner to investigate employee complaints and to provide for a hearing in any action to recover wages, penalties, and other demands for compensation, as specified. Existing law requires the Labor Commissioner, within 15 days after the hearing is concluded, to file in the office of the division a copy of the order, decision, or award. This bill would require the division to post on its internet website specified information about any employer with an unsatisfied

order, decision, or award, as prescribed. The bill would require the posting to be removed if, among other conditions, the employer has submitted certification, under penalty of perjury, that all violations identified in the posted information have been remedied or abated. By expanding the crime of perjury, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws. (Based on 05/23/2025 text)

**Location:** 06/16/2025 - Assembly L. & E. **Current Text:** 05/23/2025 - Amended

Introduced: 02/03/2025 Last Amend: 05/23/2025

SB 262 Wahab (D) HTML PDF

Housing element: prohousing designations: prohousing local policies.

### Progress bar



**Bill information** 

Status: 06/09/2025 - Referred to Coms. on H. & C.D. and L. GOV.

**Summary:** Current law requires the Department of Housing and Community Development to determine

whether the housing element is in substantial compliance with provisions of the Planning and Zoning Law. Current law requires the department to designate jurisdictions as prohousing pursuant to emergency regulations adopted by the department, as prescribed. Current law requires that jurisdictions that are prohousing and that are in substantial compliance with specified provisions be awarded additional points or preference in the scoring of applications for specified state programs. Current law defines "prohousing local policies" for these purposes and specifies a nonexhaustive list of examples of those policies, including local financial incentives for housing and adoption of zoning allowing for use by right for residential and mixed-use development. This bill would include in the definition of "prohousing local policies" policies that keep people housed and would include additional examples of prohousing local policies under the above-described provisions, as specified. (Based on 05/29/2025 text)

**Location:** 06/09/2025 - Assembly H. & C.D. **Current Text:** 05/29/2025 - Amended

Introduced: 02/03/2025 Last Amend: 05/29/2025

SB 272 Becker (D) HTML PDF

San Mateo County Transit District: job order contracting: pilot program.

### Progress bar



**Bill information** 

Status: 05/12/2025 - Referred to Com. on L. GOV.

Summary: Would establish a pilot program to authorize the San Mateo County Transit District to use job

order contracting as a procurement method. The bill would impose a \$5,000,000 cap on awards under a single job order contract and a \$1,000,000 cap on any single job order. The bill would limit the term of an initial contract to a maximum of 12 months, with extensions as prescribed. The bill would establish various procedures and requirements for the use of job order contracting under the pilot program. The bill would require the district, on or before January 1, 2030, to submit to the appropriate policy and fiscal committees of the Legislature a report on the use of job order contracting under the bill. The pilot program would be repealed on January 1, 2032. This bill would make legislative findings and declarations as to the necessity of a special statute for the San Mateo County Transit District. (Based on 03/18/2025 text)

Location: 05/12/2025 - Assembly L. GOV. Current Text: 03/18/2025 - Amended

Introduced: 02/04/2025 Last Amend: 03/18/2025

SB 306 Becker (D) HTML PDF

Health care coverage: prior authorizations.

### Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Com. on HEALTH.

**Summary:** Current law generally authorizes a health care service plan or health insurer to use prior

authorization and other utilization review or utilization management functions, under which a licensed physician or a licensed health care professional who is competent to evaluate specific clinical issues may approve, modify, delay, or deny requests for health care services based on medical necessity. Current law requires a health care service plan or health insurer, including those plans or insurers that delegate utilization review or utilization management functions to medical groups, independent practice associations, or to other contracting providers, to comply with specified requirements and limitations on their utilization review or utilization management functions. Current law requires the criteria or guidelines used to determine whether or not to authorize, modify, or deny health care services to be developed with involvement from actively practicing health care providers. This bill would prohibit a health care service plan or health insurer, or an entity with which the plan or insurer contracts for prior authorization, from imposing prior authorization, as defined, or prior notification on a covered health care service for a period of one year beginning on April first of the current calendar year, if specified conditions exist, including that the health care service plan approved 90% or more of the requests for a covered service in the prior calendar year. The bill would also require a health care service plan or health insurer to post specified information, including a list of covered health care services exempted from prior authorization, on its internet website by March 15 of each calendar year. The bill would also clarify how to calculate a plan's or insurer's approval rate for purposes of determining whether a service may be exempted from prior

authorization. (Based on 04/28/2025 text)

Location: 06/05/2025 - Assembly HEALTH Current Text: 04/28/2025 - Amended

Introduced: 02/10/2025 Last Amend: 04/28/2025

SB 326 Becker (D) HTML PDF

Wildfire safety: The California Wildfire Mitigation Strategic Planning Act.

### Progress bar



**Bill information** 

**Status:** 06/09/2025 - Referred to Coms. on E.M and NAT. RES.

Summary: Current law establishes the Office of the State Fire Marshal in the Department of Forestry and

Fire Protection and establishes the Deputy Director of Community Wildfire Preparedness and Mitigation within the office. Current law makes the deputy director responsible for fire preparedness and mitigation missions of the department, as provided. This bill would require the deputy director, on or before January 1, 2027, and every 3 years thereafter, to prepare a Wildfire Risk Mitigation Planning Framework sufficient to quantitatively evaluate wildfire risk mitigation actions, as provided. The bill would require the framework to allow for geospatial

evaluation and comparison of wildfire risk mitigation actions, as defined, sufficient to direct coordinated mitigation efforts and long-term collaborative mitigation planning. The bill would require the deputy director to, each year the framework is completed, submit a copy of the framework to the Legislature, the Office of Energy Infrastructure Safety, and the Public Utilities

**Current Text:** 

02/11/2025 - Introduced

Commission for review and consideration. (Based on 02/11/2025 text)

**Location:** 06/09/2025 -

Assembly EMERGENCY

MANAGEMENT

Introduced: 02/11/2025

introduced: 02/11/2025

SB 332 Wahab (D) HTML PDF

### Investor-Owned Utilities Accountability Act.

### Progress bar



### **Bill information**

**Status:** 06/09/2025

06/09/2025 - Referred to Com. on U. & E.

Summary:

Current law vests the State Energy Resources Conservation and Development Commission (Energy Commission) with various responsibilities for developing and implementing the state's energy policies. This bill would require the Energy Commission to select a research institute, as defined, to conduct a comparative analysis of the benefits and challenges of transitioning the electrical corporations to a public entity, nonprofit public benefit corporation, or mutual benefit corporation in order to identify a recommended model, as provided. The bill would require the research institute to complete the analysis on or before January 1, 2029, and, upon completion, to submit the analysis to the Legislature and the Energy Commission. (Based on 05/28/2025 text)

Location: 06/09/2025 - Assembly

Introduced: 02/12/2025 Last Amend: 05/28/2025

SB 338 Becker (D) HTML PDF

### Virtual Health Hub for Rural Communities Pilot Program.

### Progress bar



### **Bill information**

**Status:** 06/05/2025 - Referred to Com. on HEALTH.

Summary: Would establish the Virtual Health Hub for Rural Communities Pilot Program and require the

State Department of Public Health to administer the program to expand access to health services for farmworkers in rural communities. The bill would require the department to fund grants to a community organization or organizations to administer the program and to provide technical assistance to the organization or organizations for any licensing or reporting requirements necessary to fulfill the program obligations. The bill would require the organization awarded a grant, among other things, to deploy virtual health hubs, as defined, in 2 rural communities based on farmworker population and access to health care. Under the bill, the virtual health hubs would include, at a minimum, computers, Wi-Fi, cubicles for virtual visits, and exam rooms for telemedicine. The bill would require the department, on or before January 1, 2027, to report the outcomes of the program to the Legislature. The bill would

create the Farmworkers Health Equity Fund and would condition implementation of these

provisions on no General Fund moneys being used. (Based on 05/06/2025 text)

Location: 06/05/2025 - Assembly HEALTH | Current Text: 05/06/2025 - Amended

Introduced: 02/12/2025 Last Amend: 05/06/2025

SB 358 Becker (D) HTML PDF

Mitigation Fee Act: mitigating vehicular traffic impacts.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Com. on L. GOV.

**Summary:** The Mitigation Fee Act imposes various requirements with respect to the establishment,

increase, or imposition of a fee by a local agency as a condition of approval of a development project. Current law requires a local agency that imposes a fee on a housing development for the purpose of mitigating vehicular traffic impacts to set the rate for that fee, if the housing development satisfies all of certain prescribed characteristics, to reflect a lower rate of automobile trip generation associated with such housing developments in comparison with housing developments without the prescribed characteristics, unless the local agency adopts findings after a public hearing establishing that the housing development, even with those characteristics, would not generate fewer automobile trips than a housing development without those characteristics. This bill would require those findings to be supported by substantial evidence in the record before or as part of the housing development project approval

process. (Based on 05/27/2025 text)

Location: 06/09/2025 - Assembly L. GOV. Current Text: 05/27/2025 - Amended

Introduced: 02/12/2025 Last Amend: 05/27/2025

SB 361 Becker (D) HTML PDF

Data broker registration: data collection.

### Progress bar



**Bill information** 

**Status:** 05/12/2025 - Referred to Com. on P. & C.P.

**Summary:** The California Consumer Privacy Act of 2018 (CCPA) grants a consumer various rights with

respect to personal information that is collected or sold by a business, including the right to request that a business disclose specified information that has been collected about the consumer, to request that a business delete personal information about the consumer that the business has collected from the consumer, and to direct a business not to sell or share the consumer's personal information, as specified. The CCPA defines various terms for these purposes. The California Privacy Rights Act of 2020 (CPRA), approved by the voters as Proposition 24 at the November 3, 2020, statewide general election, amended, added to, and reenacted the CCPA and establishes the California Privacy Protection Agency (agency) and vests the agency with full administrative power, authority, and jurisdiction to enforce the CCPA. This bill would require a data broker to provide additional information to the agency, including whether the data broker collects consumers' login or account information, various government identification numbers, citizenship data, union membership status, sexual

orientation status, gender identity and gender expression data, and biometric data. (Based on

03/24/2025 text)

**Location:** 05/12/2025 - Assembly P. & C.P. **Current Text:** 03/24/2025 - Amended

Introduced: 02/13/2025 Last Amend: 03/24/2025

SB 384 Wahab (D) HTML PDF

Preventing Algorithmic Price Fixing Act: prohibition on price-fixing algorithm use.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on JUD. and P. & C.P.

Summary: Would enact the Preventing Algorithmic Price Fixing Act, in addition to any other law, would

prohibit a person from selling, licensing, or otherwise providing and a seller, as defined, from using a price-fixing algorithm, as defined, to set either: (1) a price or supply level of a good or service or (2) a rent or occupancy level of rental property. The bill would provide a seller an affirmative defense to liability if the seller can show that the seller conducted due diligence, as specified. The bill would authorize the Attorney General or a city attorney or county counsel to file a civil action for violations of these provisions, as specified, including for a civil penalty of

up to \$1,000 per violation, as specified. (Based on 04/24/2025 text)

Location: 06/09/2025 - Assembly JUD. Current Text: 04/24/2025 - Amended

Introduced: 02/14/2025 Last Amend: 04/24/2025

SB 390 Becker (D) HTML PDF

Community facilities district: inclusion or annexation of territory: County of San Mateo.

### Progress bar



Bill information

Status: 06/05/2025 - Referred to Com. on L. GOV.

Summary: The Mello-Roos Community Facilities Act of 1982 authorizes the legislative body of a local

agency, as defined, to create a community facilities district to finance specified types of services within an area. Current law prohibits a territory that is dedicated or restricted to agricultural, open-space, or conservation uses from being included within or annexed to a specified community facilities district without the landowner's consent. This bill would, notwithstanding those prohibitions, specify that for territory that is located within the regional shoreline of the County of San Mateo, the consent of a landowner is not required, if specified

conditions are met. (Based on 04/30/2025 text)

Location: 06/05/2025 - Assembly L. GOV. Current Text: 04/30/2025 - Amended

Introduced: 02/14/2025 Last Amend: 04/30/2025

SB 400 Cortese (D) HTML PDF

Road Maintenance and Rehabilitation Account: University of California: California State University: reports.



**Bill information** 

Status: 05/19/2025 - Referred to Com. on TRANS.

**Summary:** Current law provides for the deposit of various moneys, including revenues from certain fuel

taxes and vehicle fees, for the Road Maintenance and Rehabilitation Program into the Road Maintenance and Rehabilitation Account. Current law, after deducting certain appropriations and allocations, authorizes annual appropriations of \$5,000,000 of the moneys available for the program to the University of California to conduct transportation research and of \$2,000,000 of the available moneys to the California State University to conduct transportation research and transportation-related workforce education, training, and development, as specified. This bill would require the University of California Institute of Transportation Studies and the California State University Transportation Consortium, on or before January 1 of each year, to each submit a report to the Transportation Agency and specified legislative committees detailing the expenditures of those moneys for the previous fiscal year, including, but not limited to,

research activities and administration. (Based on 04/07/2025 text)

Location: 05/19/2025 - Assembly TRANS. Current Text: 04/07/2025 - Amended

Introduced: 02/14/2025 Last Amend: 04/07/2025

SB 429 Cortese (D) HTML PDF

Wildfire Safety and Risk Mitigation Program.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on INS. and E.M.

**Summary:** Current law generally requires an insurer or insurance producer to have underwriting

guidelines that establish the criteria and process under which an insurer makes its decision to provide or to deny coverage. Current law requires an admitted insurer with written California premiums totaling \$10,000,000 or more, to submit a report, as specified, to the commissioner with specified fire risk information on its residential property policies. Current law requires the Insurance Commissioner to post on the Department of Insurance internet website a report on wildfire risk compiled from data collected from specified insurers. This bill, upon appropriation for these purposes, would establish the Wildfire Safety and Risk Mitigation Program to fund the development, demonstration, and deployment of a public wildfire catastrophe model, as defined, and to provide grant funding to one or more universities for eligible projects with specified criteria for the purpose of creating a research and educational center responsible for developing, demonstrating, and deploying a public wildfire catastrophe model that provides significant wildfire safety benefits to California communities and assists alignment of federal, state, and local wildfire risk reduction efforts. The bill would create the Wildfire Safety and Risk Mitigation Account within the Insurance Fund for these purposes. (Based on 03/26/2025 text)

Location: 06/09/2025 - Assembly INS. Current Text: 03/26/2025 - Amended

Introduced: 02/18/2025 Last Amend: 03/26/2025

SB 433 Wahab (D) HTML PDF

Residential care facilities for the elderly: assisted living waiver rental rate protection.

### Progress bar



**Bill information** 

Status: 06/16/2025 - Referred to Coms. on AGING & L.T.C and HUM. S.

Summary: Current law requires the State Department of Health Care Services to develop a program that

requires a waiver of federal law to test the efficacy of providing an assisted living benefit to beneficiaries under the Medi-Cal program. The waiver requires that eligible participants are those who require a nursing facility level of care and wish to live in a residential care setting, such as a residential care facility for the elderly. Under current law, the State Department of Health Care Services and the State Department of Social Services may waive provisions of the California Residential Care Facilities for the Elderly Act applicable to residential care facilities participating in the program, as necessary and appropriate, including provisions that state that residential care facilities for the elderly are not subject to controls on rent. Current law authorizes a Medi-Cal managed care plan to cover those community supports, as defined, approved by the department as cost effective and medically appropriate in a comprehensive risk contract that are in lieu of applicable Medi-Cal state plan services, including, among others, nursing facility transition or diversion to assisted living facilities, such as residential care facilities for the elderly. This bill would authorize the State Department of Health Care Services and the State Department of Social Services to waive compliance with the prohibition on rent controls when determined necessary and appropriate in the context of the above-described

program to test the efficacy of providing an assisted living benefit. (Based on 04/01/2025 text)

Location: 06/16/2025 - Assembly AGING & Current Text: 04/01/2025 - Amended

L.T.C. Last Amend: 04/01/2025

**Introduced:** 02/18/2025

SB 435 Wahab (D) HTML PDF

Residential care facilities for the elderly: emergency backup power source.

### Progress bar



Bill information

Status: 06/16/2025 - Referred to Coms. on AGING & L.T.C and HUM. S.

Summary: Would, commencing January 1, 2028, require a residential care facility for the elderly licensed

for 16 or more residents to have an alternative source of power, as defined, to protect residents' health and safety for no fewer than 72 hours during any type of power outage. The bill would impose specific compliance requirements based on whether the facility uses a generator as its alternative source of power, or batteries or a combination of batteries in tandem with a renewable electrical generation facility. The bill would require a facility licensed for 16 or more residents to comply with these requirements and include information regarding the alternative source of power within the emergency and disaster plan beginning January 1, 2028. By expanding the scope of an existing crime, the bill would impose a state-mandated

local program. (Based on 04/23/2025 text)

Location: 06/16/2025 - Assembly AGING & Current Text: 04/23/2025 - Amended

L.T.C. Last Amend: 04/23/2025

Introduced: 02/18/2025

SB 436 Wahab (D) HTML PDF

Unlawful detainer: notice to terminate tenancy.



**Bill information** 

Status: 06/09/2025 - Referred to Com. on JUD. (Amended text released 6/17/2025)

Summary: Existing law prescribes summary procedures for actions to obtain possession of real property.

> Existing law authorizes a landlord to serve a notice of termination of tenancy on a tenant who is in default in the payment of rent. The notice must permit the tenant at least 3 days, excluding weekends and judicial holidays, to pay the amount that is in default and due. If the tenant does not pay the amount stated in the 3-day notice to pay rent or quit after its expiration, the landlord may file a complaint for unlawful detainer against the tenant to obtain possession of the premises. This bill would extend the notice period described above, to terminate a tenancy on a tenant who is in default in the payment of rent, to permit the tenant at least 14 days, excluding weekends and judicial holidays, to pay the amount that is in default and due. The bill

would also make conforming changes. (Based on 06/17/2025 text)

Location: 06/09/2025 - Assembly JUD. 06/17/2025 - Amended **Current Text:** 

Introduced: 02/18/2025 Last Amend: 06/17/2025

SB 462 Cortese (D) HTML PDF

California Farmland Conservancy Program: conservation easements: funding.

### Progress bar



**Bill information** 

Status: 05/23/2025 - May 23 hearing: Held in committee and under submission.

Existing law establishes the California Farmland Conservancy Program in the Department of Summary:

> Conservation and authorizes the program to offer financial assistance, including grants or contracts, for projects and activities on agricultural lands that support agricultural conservation and sustainable land management. Existing law creates the California Farmland Conservancy Program Fund and requires moneys in the fund, upon appropriation by the Legislature in the annual Budget Act, to be used for purposes of the program. Notwithstanding that provision, existing law continuously appropriates moneys in the fund from federal grants and gifts and donations to the department for purposes of the program. This bill would require the Controller to transfer \$20,000,000 on July 1 of each fiscal year, commencing with the 2025-26 fiscal year, from the General Fund to the California Farmland Conservancy Program Funding Account, which the bill would create within the California Farmland Conservancy Program Fund. The bill would continuously appropriate moneys in the account to the department for expenditure as provided. The bill would require that the funding only be awarded for agricultural conservation easements on agricultural land, as defined. (Based on 04/10/2025

text)

Location: **Current Text:** 04/10/2025 - Amended 04/21/2025 - Senate APPR.

> SUSPENSE FILE Last Amend: 04/10/2025

Introduced: 02/19/2025

Becker (D) HTML PDF SB 493

District agricultural associations: secretary-managers: compensation.

### Progress bar



Bill information

06/05/2025 - Referred to Com. on AGRI. Status:

Summary:

Existing law governs the apportionment of state funds to fairs within the network of California fairs, which includes, in general, the California Exposition and State Fair, district agricultural association fairs, county fairs, and citrus fruit fairs. Existing law authorizes consideration of the classification of a fair seeking an apportionment of state funds when determining compensation for the fair's manager. Existing law requires the Department of Food and Agriculture to annually review and maintain a separate and accurate job description for each fair manager, solicit information from each fair board of directors that will accurately describe the fair manager's performance and responsibilities in regard to merit salary increases for its fair manager, and report its findings to fair directors and fair managers. This bill would revise and recast the determination of the compensation for fair managers by, among other things, doing all of the following: (1) renaming those fair managers as secretary-managers of district agricultural associations; (2) transferring the duty to fix the compensation for a secretarymanager, in an amount that is reasonably appropriate, to the Secretary of Food and Agriculture; (3) requiring the secretary to set a single salary range for the compensation of a secretary-manager and, in determining the salary range, on or before January 1, 2027, and every 3 years thereafter, to conduct a salary survey of other federal, state, regional, and local positions in similar industries and other relevant labor pools if the secretary receives nonstate funds, as provided, for that purpose; (4) until the first survey, requiring the compensation for a secretary-manager to remain within certain existing ranges, regardless of fair classification; and (5) after the first survey, prohibiting the maximum salary limit of the salary range for a secretary-manager from exceeding the highest salary for a position comparable to a secretarymanager, as determined by the most recent survey, except for specifically required cost-ofliving increases and authorized merit increases and increases for secretary-managers managing multiple districts. (Based on 05/23/2025 text)

Location: 06/05/2025 - Assembly AGRI. **Current Text:** 05/23/2025 - Amended

02/19/2025 Introduced: Last Amend: 05/23/2025

Cortese (D) HTML PDF SB 494

Classified school and community college employees: disciplinary hearings: appeals: contracted administrative law judges.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on P. E. & R. and HIGHER ED.

Summary:

(1)Existing law requires the governing board of a school district to employ persons for positions not requiring certification qualifications and the governing board of a community college district to employ persons for positions that are not academic positions. Existing law requires the governing board of a school district or community college district to classify those employees and positions and requires that they be known as the classified service. Existing law requires the governing board of a school district or community college district to prescribe written rules and regulations governing the personnel management of the classified service whereby classified employees are designated as permanent employees after serving a prescribed period of probation. Existing law subjects a permanent classified employee to disciplinary action only for cause, as prescribed by rule or regulation of the governing board of the school district or community college district. Existing law requires the governing board of a school district or community college district to adopt rules of procedure for disciplinary proceedings that contain a provision for informing the employee by written notice of the specific charges

against the employee, a statement of the employee's right to a hearing on those charges, and the time within which the hearing may be requested that shall not be less than 5 days after service of notice to the employee, as provided. This bill would instead require the governing board of a school district or community college district to adopt rules of procedure for disciplinary proceedings authorizing the employee to request a hearing within a minimum of 30 days after service of notice of the specific charges to the employee, as provided. (Based on 04/10/2025 text)

**Location:** 06/09/2025 - Assembly P.E. & R. **Current Text:** 04/10/2025 - Amended

Introduced: 02/19/2025 Last Amend: 04/10/2025

SB 498 Becker (D) HTML PDF

County detention: juvenile facilities: commissary.

### Progress bar



**Bill information** 

Status: 06/16/2025 - Referred to Com. on PUB. S.

Summary: Existing law requires that an inmate in a state prison who has maintained an inmate trust

account with \$25 or less for 30 consecutive days be deemed indigent and requires that an inmate who is indigent receive, among other things, basic supplies necessary for maintaining personal hygiene. This bill would require that indigent wards or detainees be provided basic hygiene products free of charge and require that those individuals have guaranteed access to hygiene products, upon their request. The bill would prohibit an indigent ward or detainee from being denied access to hygiene products as a disciplinary measure. The bill would prohibit debt from being accrued as a result of the provision of hygiene products to indigent wards or detainees and would require any debt accrued for the provision of hygiene products prior to January 1, 2026, to be discharged. By expanding the duties of probation officers, this bill would

impose a state-mandated local program. (Based on 05/23/2025 text)

Location: 06/16/2025 - Assembly PUB. S. Current Text: 05/23/2025 - Amended

Introduced: 02/19/2025 Last Amend: 05/23/2025

SB 522 Wahab (D) HTML PDF

Housing: tenant protections.

### Progress bar



**Bill information** 

Status: 06/09/2025 - Referred to Coms. on H. & C.D. and JUD.

Summary: The Tenant Protection Act of 2019 prohibits, until January 1, 2030, an owner of residential real

property from terminating the tenancy of certain tenants without just cause, either at-fault or no-fault of the tenant. The act exempts certain types of residential real properties from that prohibition, including, among others, housing that has been issued a certificate of occupancy within the previous 15 years. This bill would exclude housing built to replace a previous housing unit that was subject to the Tenant Protection Act of 2019, was substantially damaged or destroyed by a disaster, as defined, and was issued a certificate of occupancy before that housing unit was substantially damaged or destroyed, from the above-described exemption from the just cause requirements and rental increase limits. (Based on 03/28/2025 text)

**Location:** 06/09/2025 - Assembly H. & C.D. **Current Text:** 03/28/2025 - Amended

Introduced: 02/19/2025 Last Amend: 03/28/2025

SB 540 Becker (D) HTML PDF

Independent System Operator: independent regional organization: California Renewables Portfolio Standard Program.

#### Progress bar



**Bill information** 

**Status:** 06/05/2025 - In Assembly. Read first time. Held at Desk.

Summary:

Current law provides for the establishment of an Independent System Operator (ISO) as a nonprofit public benefit corporation and requires the ISO to ensure efficient use and reliable operation of the electrical transmission grid consistent with achieving planning and operating reserve criteria no less stringent than those established by the Western Electricity Coordinating Council and the North American Electric Reliability Council. The Clean Energy and Pollution Reduction Act of 2015 provides for the transformation of the ISO into a regional organization, with the approval of the Legislature, pursuant to a specified process. That process provides that modifications to the ISO's governance structure, through changes to its bylaws or other corporate governance documents, will not become effective until the ISO, the Public Utilities Commission (PUC), the State Energy Resources Conservation and Development Commission (Energy Commission), the State Air Resources Board (state board), the Governor, and the Legislature take specified actions on or before January 1, 2019. This bill would delete the above-described provisions providing for the transformation of the ISO into a regional organization. The bill would authorize the ISO and the electrical corporations that are participating transmission owners whose transmission systems are operated by the ISO to use voluntary energy markets governed by an independent regional organization, only if specified requirements are satisfied. The bill would authorize the ISO, on or after January 1, 2028, to implement tariff modifications accepted by the Federal Energy Regulatory Commission to operate the energy markets whose rules are governed by an independent regional organization if the governing board of the ISO adopts a resolution, as specified, finding that each of the specified requirements have been, or will be, adopted by the independent regional organization. (Based on 05/29/2025 text)

Location: 06/04/2025 - Assembly DESK Current Text: 05/29/2025 - Amended

Introduced: 02/20/2025 Last Amend: 05/29/2025

SB 541 Becker (D) HTML PDF

Electricity: load shifting.

### Progress bar



**Bill information** 

**Status:** 06/09/2025 - Referred to Com. on U. & E.

Summary: Existing law requires the State Energy Resources Conservation and Development Commission

(Energy Commission), in consultation with the specified entities, to adopt a biennial integrated energy policy report containing certain information in a specified format. Existing law requires the Energy Commission, in consultation with the Public Utilities Commission (PUC) and the Independent System Operator, to adopt a goal for load shifting to reduce net peak electrical

demand and adjust this target in each biennial integrated energy policy report thereafter. This bill would require the Energy Commission, as part of each integrated energy policy report, to allocate the load shifting needed to reach the above-described load-shifting goal, including biennial adjustments to the goal, to each retail supplier, as defined, based on the commission's estimate of its load-shifting potential, including consideration of the relative share of statewide load of each retail supplier, and other relevant factors, as specified. The bill would require the Energy Commission, on or before July 1, 2028, and biennially thereafter, to evaluate and publish the amount of load shifting that each retail supplier achieved in the prior calendar year, and the amount of load shifting that each retail supplier is expected to achieve in future years, in comparison to the load shifting allocated to the retail supplier, as specified. The bill would require the Energy Commission, in consultation with the PUC and the Independent System Operator, to identify and evaluate barriers to effectively implementing load-shifting strategies and to establish a location-based avoided cost metric that estimates the value of demand reduction at different times and locations, as specified. (Based on 05/23/2025 text)

**Location:** 06/09/2025 - Assembly U. & E. **Current Text:** 05/23/2025 - Amended

Introduced: 02/20/2025 Last Amend: 05/23/2025

SB 545 Cortese (D) HTML PDF

High-speed rail: economic opportunities.

### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on TRANS, and L. GOV.

Summary:

Existing law establishes the Office of Land Use and Climate Innovation with specified powers and duties related to long-range planning and research. Existing law creates the High-Speed Rail Authority, with specified powers and duties related to the development and implementation of a high-speed train system. This bill would require the Office of Land Use and Climate Innovation, on or before January 1, 2027, to commission a study on economic opportunities along the corridor of the California high-speed rail project, as defined, and other high-speed rail projects in California that are planned to directly connect to the California high-speed rail project, as provided, and to submit a progress report to the chairpersons of the Senate Committee on Transportation and the Assembly Committee on Transportation for input. The bill would require, on or before January 1, 2028, the study to be completed and a report on the study's findings and recommendations to be submitted to the appropriate policy and fiscal committees of the Legislature. The bill would require an infrastructure district, as defined, that uses its revenue to finance the construction of the high-speed rail project to dedicate a majority of its revenue to infrastructure projects within the jurisdiction of the local agencies that establish the district. (Based on 05/23/2025 text)

Location: 06/09/2025 - Assembly TRANS. Current Text: 05/23/2025 - Amended

Introduced: 02/20/2025 Last Amend: 05/23/2025

SB 550 Cortese (D) HTML PDF

California State University, San Jose: law school.

### Progress bar



**Bill information** 

Status: 06/09/2025 - Referred to Coms. on HIGHER ED. and JUD.

**Summary:** The Donahoe Higher Education Act establishes the segments of postsecondary education in

the state, including the University of California and the California State University, and sets forth the missions and functions of those segments. Existing law states that the University of California has exclusive jurisdiction in public higher education over, among others, instruction in the profession of law. This bill would authorize a state-accredited law school that has operated continuously as an independent nonprofit institution to be incorporated into California State University. San Jose as a constituent academic unit if the law school has been

State University, San Jose as a constituent academic unit if the law school has been continuously accredited for a minimum of 5 years at the time of incorporation, the governing boards of both institutions approve a merger agreement, and the Trustees of the California State University approve a merger agreement. The bill would require the law school, upon incorporation into California State University, San Jose, to operate under the university's policies, governance structure, and budget. The bill would require the California State University, San Jose to work with the Chancellor of the California State University to coordinate

with the appropriate regulatory bodies to ensure compliance with all legal and accreditation

requirements applicable to the law school, as provided. (Based on 05/23/2025 text)

Location: 06/09/2025 - Assembly HIGHER Current Text: 05/23/2025 - Amended

ED. **Last Amend:** 05/23/2025

Corrections and rehabilitation: state policy.

### Progress bar



Bill information

Status: 06/10/2025 - From committee with author's amendments. Read second time and amended.

Re-referred to Com. on PUB. S.

Summary: Under current law, the Legislature finds and declares that the purpose of sentencing is public

safety achieved through punishment, rehabilitation, and restorative justice, and that programs should be available for incarcerated persons, including educational, rehabilitative, and restorative justice programs that are designed to promote behavioral change and to prepare all incarcerated persons for successful reentry into the community. Existing law directs the Department of Corrections and Rehabilitation to maintain a mission statement consistent with

these principles. This bill would make legislative findings and declarations relating to corrections and rehabilitation, including, among others, that the Legislature recognizes that life in prison can never be the same as life in a free society, and that active steps should be taken

to make conditions in prison as close to normal life as possible, aside from loss of liberty, to ensure that this normalization does not lead to inhumane prison conditions. (Based on

06/10/2025 text)

**Location:** 06/05/2025 - Assembly PUB. S. **Current Text:** 06/10/2025 - Amended

Introduced: 02/20/2025 Last Amend: 06/10/2025

SB 553 Cortese (D) HTML PDF

Prisons: clearances.



**Bill information** 

Status: 06/05/2025 - Referred to Com. on PUB. S.

**Summary:** Existing law requires the Department of Corrections and Rehabilitation to conduct rehabilitative

programming in a manner that meets specified requirements, including minimizing program wait times and offering a variety of program opportunities to inmates regardless of security level or sentence length. Existing law establishes various clearance levels for program providers in state prisons, including short-term clearance, annual program provider clearance, and statewide program provider clearance, as defined. Existing law establishes a procedure for a program provider to receive one of these clearances and an identification card to gain entry into the state prison and requires the department to provide state prisons with forms for program providers to obtain the clearances. This bill would require the department to create standardized clearance forms for legal professionals to apply for annual clearance to gain approval to provide legal services at all institutions, as specified. The bill would also require the department to, upon request, give a short-term clearance without the requirement to apply for a long-term clearance to specified individuals, including, among others, the Governor and all cabinet members, members of the Legislature and their staff, and current judges of the

state. (Based on 02/20/2025 text)

Location: 06/05/2025 - Assembly PUB. S. Current Text: 02/20/2025 - Introduced

Labor-related liabilities: direct contractor and subcontractor.

### Progress bar



Bill information

Status: 06/05/2025 - Referred to Coms. on L. & E. and JUD.

**Summary:** Current law requires, for contracts entered into on or after January 1, 2022, a direct contractor making or taking a contract in the state for the erection, construction, alteration, or repair of a building, structure, or other private work, to assume, and be liable for, any debt owed to a

building, structure, or other private work, to assume, and be liable for, any debt owed to a wage claimant or third party on the wage claimant's behalf, incurred by a subcontractor at any tier acting under, by, or for the direct contractor for the wage claimant's performance of labor included in the subject of the contract between the direct contractor and the owner. Current law defines "direct contractor" for this purpose to mean a contractor that has a direct contractual relationship with an owner. This bill would apply the above-described provision to contracts entered into on or after January 1, 2022, and before January 1, 2026. The bill would instead require, for contracts entered into on or after January 1, 2026, a direct contractor making or taking a contract in the state for the erection, construction, alteration, or repair of a building, structure, or other private work, to assume, and be liable for, indebtedness for the performance

of labor, as specified. (Based on 03/28/2025 text)

**Location:** 06/05/2025 - Assembly L. & E. **Current Text:** 03/28/2025 - Amended

Introduced: 02/20/2025 Last Amend: 03/28/2025

SB 602 Cortese (D) HTML PDF

Veterinarians: veterinarian-client-patient-relationship.



**Bill information** 

**Status:** 05/19/2025 - Referred to Com. on B. & P.

**Summary:** Current law authorizes a veterinarian to allow a registered veterinary technician to act as an

agent of the veterinarian for the purpose of establishing the veterinarian-client-patient relationship to administer preventive or prophylactic vaccines or medications for the control or eradication of apparent or anticipated internal or external parasites by satisfying specified conditions, including, among other things, imposing different requirements relating to the proximity of the veterinarian depending upon where the registered veterinarian technician is administering the vaccine or medication. Specifically, existing law requires either that the veterinarian is physically present at the premises when the registered veterinary technician is working at a registered veterinary premises, or, if working at a location other than a registered veterinary premises, that the veterinarian is in the general vicinity or available by telephone and is quickly and easily available. This bill would revise the above-described condition to authorize a registered veterinary technician to administer the vaccine or medication in a registered veterinary premises that is a public animal control agency or shelter, private animal shelter, humane society shelter, or society for the prevention of cruelty to animals shelter when the veterinarian is in the general vicinity or available by telephone and is quickly and easily

Location: 05/19/2025 - Assembly B.&P. Current Text: 02/20/2025 - Introduced

**Introduced:** 02/20/2025

SB 606 Becker (D) HTML PDF

Homeless Housing, Assistance, and Prevention program: reporting requirements: functional zero unsheltered.

#### Progress bar



Bill information

Status: 06/09/2025 - Referred to Coms. on H. & C.D. and HUM. S.

available. (Based on 02/20/2025 text)

Summary:

Existing law establishes the Homeless Housing, Assistance, and Prevention (HHAP) program for the purpose of providing jurisdictions with grant funds to support regional coordination and expand or develop local capacity to address their immediate homelessness challenges, as specified. Existing law provides for the allocation of funding under the program among continuums of care, cities, counties, and tribes in 6 rounds, with rounds 1 to 5, inclusive, administered by the Interagency Council on Homelessness and round 6 administered by the Department of Housing and Community Development, as provided. Existing law requires a program applicant to provide specified information through data collection, reporting, performance monitoring, and accountability framework, as established by the council. This bill would enact the Functional Zero Unsheltered Act, which, beginning with round 7 of the HHAP program, would require an applicant to provide information relating to its efforts to address homelessness in its jurisdiction, including an assessment of what would be required for the applicant to achieve functional zero unsheltered, which the bill would define as sufficient housing options of all types to accommodate a jurisdiction's unsheltered, chronically homeless population based on its most recent homeless point-in-time count, and information regarding the applicant's implementation of local homeless housing incentives, as provided. The bill would require, as part of the assessment of progress toward functional zero unsheltered, applicants to include a financial model assessing the needs for investment in prescribed areas and further analysis of, among other things, funding programs that provide housing or services to persons experiencing homelessness. The bill would also require an applicant to

demonstrate its efforts to include small cities, as defined, in its regionally coordinated homeless action plan, as specified, and provide the most recent homeless point-in-time counts of small cities in the applicant's jurisdiction. (Reced on 05/22/2025 tout)

05/23/2025 - Amended

**Current Text:** 

cities in the applicant's jurisdiction. (Based on 05/23/2025 text)

Introduced: 02/20/2025 Last Amend: 05/23/2025

06/09/2025 - Assembly H. & C.D.

SB 625 Wahab (D) HTML PDF

Housing developments: disasters: reconstruction of destroyed or damaged structures.

#### Progress bar

Location:



Bill information

Status: 06/09/2025 - Referred to Coms. on H. & C.D. and JUD.

**Summary:** The Davis-Stirling Common Interest Development Act governs the management and operation

of common interest developments. Current law makes any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that either effectively prohibits or unreasonably restricts the construction or use of an accessory dwelling unit or junior accessory dwelling unit on a lot zoned for single-family residential use, as specified, void and unenforceable. If the governing documents require association approval before a member may make a physical change to the member's separate interest or to the common area, current law requires an association to satisfy specified requirements, including to provide a fair, reasonable, and expeditious procedure for making its decision in reviewing and approving or disapproving a proposed physical change, as described above. This bill would make any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument, and any provision of a governing document, void and unenforceable to the extent that it prohibits, or includes conditions that have the effect of prohibiting, a substantially similar reconstruction of a residential structure, as specified, that is damaged or destroyed during a declared disaster or state of emergency, as defined. (Based on 04/07/2025 text)

Location: 06/09/2025 - Assembly H. & C.D. Current Text: 04/07/2025 - Amended

Introduced: 02/20/2025 (Spot bill) Last Amend: 04/07/2025

SB 653 Cortese (D) HTML PDF

Wildfire prevention: environmentally sensitive vegetation management.

#### Progress bar



**Bill information** 

**Status:** 06/05/2025 - Referred to Com. on NAT. RES.

**Summary:** Existing law requires the Department of Forestry and Fire Protection, in accordance with

policies established by the State Board of Forestry and Fire Protection, to assist local governments in preventing future high-intensity wildland fires and instituting appropriate fuels management by making its wildland fire prevention and vegetation management expertise available to local governments, as provided. This bill would define an environmentally sensitive vegetation management project to mean vegetation management that reduces catastrophic wildfire risk over the long term while supporting native wildlife and biodiversity. The bill would require an environmentally sensitive vegetation management project to prioritize specified

practices, including, among other things, practices that follow the principles of integrated pest

management, as defined. (Based on 05/23/2025 text)

Location: 06/05/2025 - Assembly NAT. Current Text:

RES.

**Current Text:** 05/23/2025 - Amended **Last Amend:** 05/23/2025

Introduced: 02/20/2025 (Spot bill)

SB 681 Wahab (D) HTML PDF

#### Housing.

#### Progress bar



#### **Bill information**

Status: 06/16/2025 - Referred to Coms. on H. & C.D. and JUD.

Summary: (1)Existing law, the Planning and Zoning Law, authorizes a local agency to provide for the

creation of accessory dwelling units in single-family and multifamily residential zones by ordinance, and sets forth standards the ordinance is required to impose with respect to certain matters, including, among others, maximum unit size, parking, and height standards. Existing law authorizes a local agency to provide by ordinance for the creation of junior accessory dwelling units, as defined, in single-family residential zones and requires the ordinance to include, among other things, standards for the creation of a junior accessory dwelling unit, required deed restrictions, and occupancy requirements. This bill would prohibit fees and other

financial requirements from being included in the above-described reasonable

restrictions. (Based on 05/23/2025 text)

**Location:** 06/16/2025 - Assembly H. & C.D. **Current Text:** 05/23/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/23/2025

SB 683 Cortese (D) HTML PDF

Privacy: use of a person's name, voice, signature, photograph, or likeness: injunctive relief.

#### Progress bar



#### **Bill information**

Status: 06/05/2025 - Referred to Coms. on JUD., P. & C.P., and APPR.

Summary: Current law makes any person who knowingly uses another's name, voice, signature,

photograph, or likeness in products, merchandise, or goods, or for purposes of advertising or selling, or soliciting purchases of, products, merchandise, goods, or services, without that person's prior consent liable for damages, as specified. This bill would provide that a party seeking relief pursuant to those provisions may also seek an injunction or temporary restraining order according to specified procedures. The bill would require the respondent to comply with the order within 2 business days from the day the order is served, unless the order requires faster compliance, if the court grants the applicant a temporary restraining order without notice to the opposing party that requires the respondent to remove, recall, or otherwise cease the publication or distribution of the petitioner's name, voice, signature,

photograph, or likeness. (Based on 04/10/2025 text)

**Location:** 06/05/2025 - Assembly JUD. **Current Text:** 04/10/2025 - Amended

Introduced: 02/21/2025 Last Amend: 04/10/2025

SB 685 Cortese (D) HTML PDF

#### California State University: financial aid for homeless students: pilot program.

#### Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Coms. on HIGHER ED. and ED.

**Summary:** Current law establishes the Student Aid Commission as the primary state agency for the

administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. This bill, subject to an appropriation by the Legislature, would establish the Financial Assistance for Students Experiencing Homelessness Pilot Program, administered by each participating campus, to provide financial assistance at 3 California State University campuses to California residents, or specified students who are exempt from paying nonresident tuition, who (1) have been accepted for enrollment at one of those campuses, (2) were homeless at any time during high school, and (3) will be between 17 and 26 years of age, inclusive, upon receipt of assistance. This bill would require, commencing with the 2026–27 academic year, each participating campus to provide financial assistance for the balance of the qualifying student's cost of attendance that exceeds the financial aid, excluding federal loans, the qualifying student receives during the first 4 years the qualifying student participates in the pilot program. The bill would require the qualifying student to meet certain requirements to receive financial assistance under the pilot program, as

specified. (Based on 04/22/2025 text)

Location: 06/05/2025 - Assembly HIGHER Current Text: 04/22/2025 - Amended

ED. **Last Amend:** 04/22/2025

**Introduced:** 02/21/2025

SB 693 Cortese (D) HTML PDF

Employees: meal periods.

#### Progress bar



Bill information

**Status:** 05/29/2025 - Referred to Com. on L. & E.

Summary: Current law generally prohibits an employer from employing an employee for a work period of

more than 5 hours per day without providing the employee with a meal period of not less than 30 minutes. Current law creates exceptions from this prohibition for employees in specified occupations, including employees of an electrical corporation, a gas corporation, or a local publicly owned electric utility covered by a valid collective bargaining agreement meeting certain conditions. Current law charges the Labor Commissioner with enforcement of these provisions. This bill would also create an exception from the above-described prohibition for

employees of a water corporation, as defined. (Based on 02/21/2025 text)

Location: 05/29/2025 - Assembly L. & E. Current Text: 02/21/2025 - Introduced

**Introduced:** 02/21/2025

SB 695 Cortese (D) HTML PDF

Transportation: climate resiliency: projects of statewide and regional significance.

Progress bar



**Bill information** 

**Status:** 06/05/2025 - Referred to Com. on TRANS.

Summary:

Current law establishes the State Transportation Infrastructure Climate Adaptation Program, administered by the Department of Transportation, for purposes of planning, developing, and implementing projects adapting state transportation infrastructure to climate change. Current law requires the department, in consultation with, among others, the Transportation Agency and the California Transportation Commission, to develop a program of its top priority climate adaptation projects and to submit projects in this program to the commission for adoption. Current law requires the department, in developing the program of projects, to consider specified criteria, including, but not limited to, the benefits of the project to preserving or enhancing regional or statewide mobility, economy, goods movement, and safety, and other benefits associated with protecting the asset. This bill would require the department, in consultation with the commission and the agency, and on or before July 1, 2026, and annually thereafter, to create a prioritized list of projects of statewide and regional significance, as defined, to better prepare the state for extreme weather-related events, with priority based on specified criteria. (Based on 03/26/2025 text)

Location: 06/05/2025 - Assembly TRANS. Current Text: 03/26/2025 - Amended

Introduced: 02/21/2025 (Spot bill) Last Amend: 03/26/2025

SB 701 Wahab (D) HTML PDF

Signal jammers.

Progress bar



**Bill information** 

Status: 06/16/2025 - Referred to Com. on PUB. S.

**Summary:** Federal law prohibits a person from willfully or maliciously interfering with or causing interference to radio communications. Federal law prohibits a person from manufacturing,

importing, selling, offering for sale, or shipping a device that interferes with radio communications. Federal law makes a violation of these prohibitions punishable by a fine of not more than \$10,000 or by imprisonment for a term not exceeding one year, or both the fine

and imprisonment. Current law makes it a misdemeanor for a person to intercept a public safety radio service communication for the purpose of using the communication to assist in the commission of a criminal offense or to avoid arrest, as specified. Current law makes it an infraction to possess or equip a vehicle with a device that is capable of interfering with a device used by a law enforcement agency to measure the speed of moving objects, as specified, and makes it a misdemeanor to possess four or more of those devices. This bill would make it a crime to manufacture, import, market, purchase, sell, or operate a signal jammer, as defined, unless authorized to do so by the Federal Communications Commission, punishable by forfeiture of the signal jamming device, and either as an infraction or a misdemeanor, as

specified. (Based on 04/09/2025 text)

Location: 06/16/2025 - Assembly PUB. S. Current Text: 04/09/2025 - Amended

Introduced: 02/21/2025 Last Amend: 04/09/2025

SB 743 Cortese (D) HTML PDF

**Education Finance: Education Equalization Act: Equalization Reserve Account.** 

#### Progress bar



Bill information

**Status:** 06/09/2025 - Referred to Com. on ED.

Summary:

Current law establishes a public school financing system that requires state funding for county superintendents of schools, school districts, and charter schools to be calculated pursuant to a local control funding formula (LCFF), as specified. Under current law, school districts that receive local revenues that exceed the LCFF amount do not receive a specified apportionment of LCFF funds, as provided, and are known as "basic aid school districts" or "excess tax entities." The Classroom Instructional Improvement and Accountability Act, an initiative approved by the voters as Proposition 98 at the November 8, 1988, statewide general election, amended the California Constitution to, among other things, set forth a formula for computing the minimum amount of revenues that the state is required to appropriate for the support of school districts and community college districts in any given fiscal year. The California Constitution creates the Public School System Stabilization Account in the General Fund and requires the Controller to transfer, pursuant to a schedule provided by the Director of Finance, a specified amount from the General Fund to the account in each fiscal year, except as provided. The California Constitution generally prohibits the total annual appropriations subject to limitation of the state and each local government from exceeding the appropriations limit of the entity of government for the prior fiscal year, adjusted for the change in the cost of living and the change in population. The California Constitution defines "appropriations subject to limitation" for these purposes. This bill would establish the Equalization Reserve Account in the General Fund. The bill would require funds in the account to be available, upon appropriation by the Legislature, to increase per-pupil funding in non-basic aid school districts, defined as school districts that received the above-described apportionment of LCFF funds in any of the then preceding 3 fiscal years, in a manner prescribed by the Legislature. (Based on 05/29/2025 text)

**Location:** 06/09/2025 - Assembly ED. **Current Text:** 05/29/2025 - Amended

Introduced: 02/21/2025 (Spot bill) Last Amend: 05/29/2025

SB 750 Cortese (D) HTML PDF

### California Housing Finance and Credit Act.

#### Progress bar



**Bill information** 

Status: 06/05/2025 - Referred to Coms. on H. & C.D. and JUD.

Summary:

The California Health Facility Construction Loan Insurance Law, establishes an insurance program for health facility construction, improvement, and expansion loans in order to stimulate the flow of private capital into health facilities construction, improvement, and expansion and in order to rationally meet the need for new, expanded, and modernized public and nonprofit health facilities necessary to protect the health of all the people of this state. Current law establishes the California Housing Finance Agency in the Business, Consumer Services, and Housing Agency. Current law also establishes the California Homebuyer's Downpayment Assistance Program for purposes of assisting first-time low- and moderate-income homebuyers utilizing existing mortgage financing, as described, and requires the agency to administer the program. Commencing January 1, 2027, and only if Senate Constitutional Amendment \_\_\_\_\_\_ of the 2025–26 Regular Session is approved by voters, this bill would enact

the California Housing Finance and Credit Act (CAHFCA) to establish, without cost, a credit enhancement program for affordable housing construction loans and permanent loans to further housing production within the state by stimulating the flow of private capital into affordable housing construction and development in order to rationally meet the need for new and expanded affordable housing necessary to house all the people of this state. CAHFCA would require the agency to administer and implement the program, as provided, and would authorize the agency to insure and offer credit enhancements for construction loans and permanent loans for affordable housing developments. (Based on 05/23/2025 text)

**Location:** 06/05/2025 - Assembly H. & C.D. **Current Text:** 05/23/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/23/2025

SB 753 Cortese (D) HTML PDF

Special business regulations: shopping carts.

#### Progress bar



Bill information

Status: 06/05/2025 - Referred to Com. on L. GOV.

**Summary:** Existing law authorizes a city, county, or city and county to impound a shopping cart that has a

specified permanently affixed sign if certain conditions are satisfied, including that the city, county, or city and county provides 3-day advance actual notice of the shopping cart's discovery and location to the owner of the shopping cart or their agent, except as specified. This bill would authorize a city, county, or city and county, to retrieve and return a shopping cart to the parking area or premises of the owner or retailer identified on the affixed sign, as specified, and to recover its actual costs for the retrieval and return. The bill would also require actual notice for purposes of these provisions to include proof that the notice was delivered to the owner or their agent, as specified, and require the city, county, or city and county to maintain a record of that proof of delivery. This bill contains other existing laws. (Based on

03/24/2025 text)

**Location:** 06/05/2025 - Assembly L. GOV. **Current Text:** 03/24/2025 - Amended

Introduced: 02/21/2025 Last Amend: 03/24/2025

SB 791 Cortese (D) HTML PDF

Vehicle dealers: document processing charge.

#### Progress bar



**Bill information** 

**Status:** 06/09/2025 - Referred to Com. on TRANS.

**Summary:** Current law authorizes a dealer to charge the purchaser or lessee of a vehicle a document

processing charge for the preparation and processing of documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law. Current law authorizes a dealer that has a contractual agreement with the Department of Motor Vehicles (DMV) to be a private industry partner to set the document processing charge at up to \$85, and authorizes all other dealers to set the document processing charge at up to \$70. This bill would authorize a dealer to charge a document processing charge that exceeds those amounts if the charge does not exceed 1% of the total price of the vehicle and does not exceed \$500. (Based

on 05/06/2025 text)

Location: 06/09/2025 - Assembly TRANS. Current Text: 05/06/2025 - Amended

Introduced: 02/21/2025 Last Amend: 05/06/2025

SB 822 Becker (D) HTML PDF

Unclaimed property: digital financial assets.

#### Progress bar



**Bill information** 

Status: 06/13/2025 - June 24 set for second hearing canceled at the request of author.

Summary: The Unclaimed Property Law (UPL) prescribes the circumstances under which intangible

property escheats to the state, including how and when apparent owners must be notified that their property is at risk of escheating and the manner in which escheated property must be delivered to the State Controller. Intangible property is only subject to the UPL if the apparent owner's last known address is within the state or, if that address is unknown, if there is another link to the state, as specified. Existing law provides how and when securities that escheat to the state pursuant to the UPL may be sold and how the securities or funds from their sale may

be returned to their owner. (Based on 04/10/2025 text)

Location: 06/05/2025 - Assembly JUD. Current Text: 04/10/2025 - Amended

Introduced: 02/21/2025 (Spot bill) Last Amend: 04/10/2025



## 2025 Q2 Legislative Action Summary

Below is a summary of the actions that were taken during 2025 Q2 in alignment with the City of Santa Clara's 2025 Legislative Advocacy Positions (LAPs), guiding principles for legislative advocacy, approved City policies (e.g., City Council Goals and Priorities), and/or Council action.

## **Community Services LAP**

 June 9, 2025 Letter of support to restore federal funding for the Institute of Museum and Library Services to U.S. Senator Alex Padilla, U.S. Senator Adam Schiff, and U.S. Representative Ro Khanna

## **Housing LAP**

- May 19, 2025 Sign on Association of Bay Area Governments letter supporting a \$30 million State budget appropriation for the Bay Area Housing Finance Authority to California State Budget leadership: Chair of the Senate Budget and Fiscal Review Committee Scott Wiener, Chair of the Assembly Budget Committee Jesse Gabriel, Chair of the Senate Budget Subcommittee #4 Christopher Cabaldon, and Chair of the Assembly Budget Subcommittee
- June 9, 2025 Letter of support to protect funding for the Department of Housing and Urban Development's Community Development Block Grant Program to U.S. Senator Alex Padilla, U.S. Senator Adam Schiff, and U.S. Representative Ro Khanna
- June 19, 2025 Letter of support for AB 736 (Wicks) The Affordable Housing Bond Act of 2026 to State Assemblymember Buffy Wicks

## **Public Safety LAP**

- April 21, 2025 Letter of support for SB 701 (Wahab) Signal jammers to State Senator Dr. Aisha Wahab
- May 22, 2025 Letter of support for SB 258 (Wahab) Crimes: rape to State Senator Dr. Aisha Wahab

## **Sustainability and Environmental Protection LAP**

 June 4, 2025 Letter of support for SB 496 (Hurtado) – Advanced Clean Fleets Regulation: appeals advisory committee: exemptions submitted to State Senator Melissa Hurtado

## **Transportation Issues LAP**

- April 23, 2025 Letter of support for the City's Federal Community Project Funding Requests to U.S. Representative Ro Khanna
- June 12, 2025 Letter of support to protect State transit funding to California State leadership: Governor Gavin Newson, Senate President pro Tempore Mike McGuire, and Assembly Speaker Robert Rivas

## **Multiple Legislative Priorities**

- April 2025 Sign on coalition letter supporting a \$50 million State budget appropriation per host city for the 2026 FIFA World Cup to California State leadership: Governor Gavin Newsom, Senate President pro Tempore Mike McGuire, and Assembly Speaker Robert Rivas (Public Safety, Regional Issues and Collaboration, and Transportation Issues LAPs)
- May 2, 2025 Letter of support for the City's State Budget Requests to State Assemblymember Patrick Ahrens (Community Services, Housing, and Transportation Issues LAPs)
- May 2, 2025 Letter of support for the City's State Budget Requests to State Senator Dr. Aisha Wahab (Community Services, Housing, and Transportation Issues LAPs)
- May 8, 2025 Cities Association of Santa Clara County Legislative Action Committee Discussion Bills (Housing, Emergency Management, and Sustainability and Environmental Protection LAPs)



June 9, 2025

The Honorable Alex Padilla United States Senate 331 Hart Senate Office Building Washington, DC 20510

RE: Letter of Support to Restore Funding for the Institute of Museum and Library Services

Dear Senator Padilla,

On behalf of the City of Santa Clara, I am writing to express our support to restore funding for the Institute of Museum and Library Services (IMLS) to prior funding levels in the upcoming budget. As the only federal agency dedicated to ensuring that every community has access to essential library funding, IMLS plays a critical role in promoting early literacy, family literacy, and life-long learning in our city and across the country.

Eliminating or significantly reducing funding for IMLS would have a disproportionate and devastating impact on our residents. In our city and throughout the state of California, IMLS-funded programs are crucial community assets: they support literacy, digital access, workforce development, and lifelong learning for students, job seekers, veterans, seniors, people with disabilities, and new immigrants.

In Santa Clara, these cuts would eliminate access to vital resources including:

- Encyclopedia Britannica, Gale, PebbleGo Science, TeachingBooks, and ProQuest which are used daily by K-12 students
- The eBooks for All California program
- Online New York Times access
- California Revealed (oral history archives)
- Staff development tools such as California Libraries Learn (CALL)
- Adult Literacy and California Library Literacy Services (CLLS)

In practice, this means that children will no longer have access to important academic support tools, adults will lose access to digital literacy training materials, and seniors will be deprived of critical community engagement opportunities.

Additionally, public libraries function as critical hubs during times of crisis, offering free emergency internet access, device charging stations, inclement weather relief facilities, and trusted public information. Defunding the IMLS will remove this essential community infrastructure for our most vulnerable community members.

Senator Alex Padilla
Re: Letter of Support to Restore Funding for the Institute of Museum and Library Services
June 9, 2025
Page 2 of 2

For these reasons, I respectfully urge you to support restoring IMLS funding to prior funding levels. Thank you for your continued efforts to advocate for critical services that benefit all communities across the country.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Isa M. Gilme



June 9, 2025

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Senator Adam Schiff
Re: Letter of Support to Restore Funding for the Institute of Museum and Library Services
June 9, 2025
Page 2 of 2

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Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Isa M. Gilme



June 9, 2025

The Honorable Ro Khanna United States House of Representatives 306 Cannon House Office Building Washington, DC 20515

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Representative Ro Khanna

Re: Letter of Support to Restore Funding for the Institute of Museum and Library Services

June 9, 2025 Page 2 of 2

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Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Jsa M. Gilme

May 19, 2025

The Honorable Scott Wiener Chair, Senate Budget and Fiscal Review 1020 N Street, Room 502 Sacramento, CA 95814

The Honorable Christopher Cabaldon Chair, Senate Budget Subcommittee #4 1021 O Street, Suite 7320 Sacramento, CA 95814 The Honorable Jesse Gabriel Chair, Assembly Budget Committee 1021 O Street, Suite 8230 Sacramento, CA 95814

The Honorable Sharon Quirk-Silva Chair, Assembly Budget Subcommittee #5 1021 O Street, Suite 4210 Sacramento, CA 95814

## RE: Budget Request – Sustaining the Bay Area Housing Finance Authority

Dear Chairs Wiener, Gabriel, Cabaldon, and Quirk-Silva:

As local elected leaders, we strongly support a \$30 million budget appropriation for the Bay Area Housing Finance Authority (BAHFA) to sustain its regional leadership over the next three years-most importantly, preparing for a large-scale revenue measure in 2028 to raise billions of dollars for building and preserving affordable homes across the region. Especially considering the state and federal budget situation, this robust "self-help" is vital for meeting our constituents' housing needs.

After the Legislature created BAHFA in 2019, agency staff formed close partnerships with our cities and counties. They foster a collaborative approach that stretches local housing resources further. Last year, BAHFA staff provided essential technical assistance as local staff explored statutorily required expenditure plans for the 80% of revenue from a regional measure that would have flowed directly to local jurisdictions.

BAHFA's \$30 million request has two components. A \$15 million appropriation would maintain BAHFA's capacity for three years, including the intensive work required to place a revenue measure on the ballot and the continued operation of the Doorway Housing Portal. The initial development of Doorway - a centralized search and application website for affordable housing in all nine counties - was seeded with a state grant in 2021. Doorway not only makes our residents' housing search much easier, it also allows cities and counties to redirect resources from local portals to other housing priorities. It is an excellent example of the positive impact generated by operating at a regional scale.

We also encourage you to consider allocating BAHFA an additional \$15 million to launch a new lending program, with the goals of reducing development costs and assisting BAHFA in becoming self-sufficient. Modeled on the highly successful New York Housing Development Corporation, this program would offer financing to affordable housing developers at lower interest rates than private lenders, thereby reducing development costs. Modest interest and fees would generate self-sustaining operating support for BAHFA.

The Bay Area Housing Finance Authority is a vital resource that has already demonstrated value for our cities, counties, and residents. We can't afford to lose its powerful revenue-raising potential or the immediate housing affordability it creates. And the state needs BAHFA as a robust partner to meet shared housing goals. We respectfully request your support to sustain its work.

Thank you for your consideration.

Sincerely,

## Napa County

Anne Cottrell Supervisor, Napa County

Joelle Gallagher Supervisor, Napa County

Amber Manfree Supervisor, Napa County

Belia Ramos Supervisor, Napa County

Scott Sedgley Mayor, City of Napa

Pierre Washington Mayor, City of American Canyon

## Solano County

Wanda Williams Supervisor, Solano County

Catherine Moy Councilmember, City of Fairfield

## **Marin County**

Mary Sackett Board President, on behalf of the full Marin County Board of Supervisors

Stephanie Moulton-Peters Supervisor, Marin County

Pat Eklund Councilmember, City of Novato

## Sonoma County

Chris Coursey Supervisor, Sonoma County

James Gore Supervisor, Sonoma County

Rebecca Hermosillo Supervisor, Sonoma County

Lynda Hopkins Supervisor, Sonoma County

David Rabbitt Supervisor, Sonoma County

Ariel Kelley Councilmember, City of Healdsburg

Kevin McDonnell Mayor, City of Petaluma

Brian Barnacle Councilmember, City of Petaluma Susan Hollingsworth Adams Councilmember, City of Rohnert Park

Mark Stapp Mayor, City of Santa Rosa

Victoria Fleming Councilmember, City of Santa Rosa

Dianna MacDonald Councilmember, City of Santa Rosa

Phill Carter Councilmember, City of Sebastopol

## <u> Alameda County</u>

Nikki Fortunato Bas Supervisor, Alameda County

Elisa Márquez Supervisor, Alameda County

Nate Miley Supervisor, Alameda County

Marilyn Ezzy Ashcraft Mayor, City of Alameda

Robin López Mayor, City of Albany

Preston Jordan Councilmember, City of Albany

John Miki Councilmember, City of Albany

Adena Ishii Mayor, City of Berkeley

Carroll Fife
Councilmember, City of Oakland

Rebecca Kaplan Councilmember, City of Oakland

## Contra Costa County

Ken Carlson Supervisor, Contra Costa County

Shanelle Scales-Preston Supervisor, Contra Costa County

Carolyn Wysinger Mayor, City of El Cerrito

Lisa Motoyama Councilmember, City of El Cerrito

Sue Noack Mayor, City of Pleasant Hill

## San Francisco City and County

Matt Dorsey Supervisor, City and County of San Francisco

Myrna Melgar Supervisor, City and County of San Francisco

### San Mateo County

City/County Association of Governments of San Mateo County (see endorsement letter under separate cover)

David Canepa Supervisor, San Mateo County

Noelia Corzo Supervisor, San Mateo County

Martha Barragan Mayor, City of East Palo Alto

Ruben Abrica Councilmember, City of East Palo Alto

Carlos Romero Councilmember, City of East Palo Alto James Coleman

Councilmember, City of South San Francisco

Mark Nagales

Councilmember, City of South San Francisco

Santa Clara County

Sergio Lopez

Mayor, City of Campbell

Elliot Scozzola

Councilmember, City of Campbell

J.R. Fruen

Councilmember, City of Cupertino

Zach Hilton

Councilmember, City of Gilroy

Neysa Fligor

Councilmember, City of Los Altos

Sally Meadows

Councilmember, City of Los Altos

George Tyson

Councilmember, Town of Los Altos Hills

Maria Ristow

Councilmember, Town of Los Gatos

Yvonne Martinez Beltrán

Mayor Pro Tem, City of Morgan Hill

**Emily Ramos** 

Vice Mayor, City of Mountain View

Lucas Ramirez

Councilmember, City of Mountain View

Patrick Burt

Councilmember, City of Palo Alto

George Lu

Councilmember, City of Palo Alto

Matt Mahan

Mayor, City of San José

Pamela Campos

Councilmember, City of San José

Domingo Candelas

Councilmember, City of San José

David Cohen

Councilmember, City of San José

Rosemary Kamei

Councilmember, City of San José

Peter Ortiz

Councilmember, City of San José

Carl Salas

Councilmember, City of San José

Lisa Gillmor

Mayor, on behalf of the full City Council for

the City of Santa Clara

Linda Sell,

Vice Mayor, City of Sunnyvale

Region

Libby Schaaf

MTC Commissioner

Eddie Ahn

MTC Commissioner

cc: Senator Josh Becker, Chair, Bay Area Caucus

Assemblymember Buffy Wicks, Vice-Chair, Bay Area Caucus

Members of the Bay Area Caucus



Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

May 9, 2025

The Honorable Scott Wiener Chair, Senate Budget and Fiscal Review 1020 N Street, Room 502 Sacramento, CA 95814

The Honorable Christopher Cabaldon Chair, Senate Budget Subcommittee #4 1021 O Street, Suite 7320 Sacramento, CA 95814

The Honorable Jesse Gabriel Chair, Assembly Budget Committee 1021 O Street, Suite 8230 Sacramento, CA 95814

The Honorable Sharon Quirk-Silva Chair, Assembly Budget Subcommittee #5 1021 O Street, Suite 4210 Sacramento, CA 95814

#### RE: **Budget Request – Sustaining the Bay Area Housing Finance Authority**

Dear Chairs Wiener, Gabriel, Cabaldon, and Quirk-Silva:

The City/County Association of Governments of San Mateo County (C/CAG) strongly supports a \$30 million budget appropriation for the Bay Area Housing Finance Authority (BAHFA) to sustain its regional leadership over the next three years. Considering the state and federal budget situation, this robust "self-help" is vital for meeting our constituents' housing needs.

C/CAG is the County Transportation Agency (CTA) and also the designated Congestion Management Agency (CMA) for San Mateo County. C/CAG represents all of San Mateo County's 764,442 residents through its 21-member Board of Directors that includes a seat for every jurisdiction in San Mateo County, C/CAG also supports the 21-Elements program that assists all jurisdictions with their housing efforts. C/CAG works to improve climate resiliency, mobility, the environment, and equity throughout San Mateo County. This budget appropriation aligns with all of C/CAG's goals.

After the Legislature created BAHFA in 2019, agency staff formed close partnerships with our cities and counties. They foster a collaborative approach that stretches local housing resources further. Last year, BAHFA staff provided essential technical assistance as local staff explored statutorily required expenditure plans for the 80% of revenue from a regional measure that would have flowed directly to local jurisdictions.

BAHFA's \$30 million request has two components. A \$15 million appropriation would maintain BAHFA's capacity for three years, including the intensive work required to place a revenue measure on the ballot and the continued operation of the Doorway Housing Portal. The initial development of Doorway - a centralized search and application website for affordable housing in all nine counties was seeded with a state grant in 2021. Doorway not only makes our residents' housing search much easier, it also allows cities and counties to redirect resources from local portals to other housing priorities. It is an excellent example of the positive impact generated by operating at a regional scale.

We also encourage you to consider allocating BAHFA an additional \$15 million to launch a new

lending program, with the goals of reducing development costs and assisting BAHFA in becoming self-sufficient. Modeled on the highly successful New York Housing Development Corporation, this program would offer financing to affordable housing developers at lower interest rates than private lenders, thereby reducing development costs. Modest interest and fees would generate self-sustaining operating support for BAHFA.

The Bay Area Housing Finance Authority is a vital resource that has already demonstrated value for our cities, counties, and residents. We can't afford to lose its powerful revenue-raising potential or the immediate housing affordability it creates. And the state needs BAHFA as a robust partner to meet shared housing goals. We respectfully request your support to sustain its work. If you have any questions, please contact Sean Charpentier, C/CAG Executive Director at: <a href="mailto:scharpentier@smcgov.org">scharpentier@smcgov.org</a>.

Thank you for your consideration.

Sincerely,

Adam Rak

Chair, C/CAG Board

cc: Senator Josh Becker, Chair, Bay Area Caucus

Assemblymember Diane Papan

2/1

Assemblymember Catherine Stephanie

Assemblymember Marc Berman

Assemblymember Buffy Wicks, Vice-Chair, Bay Area Caucus

Members of the Bay Area Caucus



June 9, 2025

The Honorable Alex Padilla United States Senate 331 Hart Senate Office Building Washington, DC 20510

The Honorable Ro Khanna United States House of Representatives 306 Cannon House Office Building Washington, DC 20515 The Honorable Adam Schiff United States Senate 112 Hart Senate Office Building Washington, DC 20510

RE: Support Continued Funding of Community Block Development Grants – FY26 Presidential Budget Request

Dear Senator Padilla, Senator Schiff, and Congressmember Khanna:

On behalf of the City of Santa Clara, I am writing to kindly request your support in protecting funding for the Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (CDBG), which was proposed for elimination in the May 2<sup>nd</sup> Presidential Budget Request.

CDBG is a cornerstone of community development efforts across the nation that represents a consistent, dependable federal investment in our city's infrastructure, public facilities, local homeowner assistance efforts, and public services for lower income residents. Through the utilization of CDBG entitlement funds, the City of Santa Clara is able to partner with nonprofit organizations and local agencies to provide support for housing services, services for individuals experiencing homelessness, services for individuals with physical disabilities, health services, domestic violence services, nutrition programs, and services for seniors. Without CDBG funding, the City of Santa Clara would not be able to fully leverage local resources, thereby resulting in a reduction in services to some of the most vulnerable members of our community.

Since 1974, CDBG has driven neighborhood revitalization, economic growth, and affordable housing development nationwide. Eliminating or reducing funding for CDBG would strip our communities of one of the most stable and important federal programs on which we rely.

For these reasons, the City of Santa Clara kindly requests your support to maintain funding for CDBG in the FY26 appropriations process. Thank you in advance for your consideration.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Jsa M. Gilhu



June 19, 2025

The Honorable Buffy Wicks California State Assembly 1021 O Street, Suite 8140 Sacramento, CA 95814

RE: AB 736 (Wicks): The Affordable Housing Bond Act of 2026 City of Santa Clara – Letter of Support

Dear Assembly Member Wicks:

On behalf of the City of Santa Clara, I am writing to express our support for AB 736 (Wicks) which authorizes the Affordable Housing Bond Act of 2026, a \$10 billion housing bond, to be placed on the March 2, 2026 primary ballot to fund the production of affordable housing and supportive housing.

Communities throughout California continue to struggle with mounting pressures from escalating housing costs. In Santa Clara, located in the heart of Silicon Valley, the region's high cost of living and limited supply of affordable housing units makes securing stable, affordable housing increasingly unattainable for many families, seniors, and low-income individuals. AB 736 directly addresses these local pressures by dedicating significant funding to programs that promote the development and long-term preservation of affordable housing.

The City of Santa Clara supports legislation that would establish additional ongoing funding streams for the construction, preservation, and operation of local affordable housing developments. AB 736 would provide a timely and strategic investment in the state's affordable housing infrastructure by directing funds to proven programs. Specifically, AB 736 would allocate \$5 billion to the Multifamily Housing Program to support the construction of affordable rental units for lower-income households. Additionally, \$1.7 billion would be directed toward supportive housing efforts under the same program to fund services for individuals experiencing homelessness.

These investments are essential to expanding affordable housing in Santa Clara and California and ensuring stable, affordable housing for vulnerable residents. For these reasons, the City of Santa Clara supports AB 736.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara



April 21, 2025

The Honorable Aisha Wahab California State Senate 1021 O Street, Suite 8530 Sacramento, CA 95814

Re: SB 701 (Wahab): Signal Jammers
City of Santa Clara – Letter of Support

Dear Senator Wahab.

On behalf of the City of Santa Clara, I am writing to express our support for SB 701 (Wahab), which aims to strengthen California's response to the illegal use of signal jammers by creating new penalties for their manufacture, importation, marketing, sale, and operation.

The City of Santa Clara is committed to ensuring public safety and supports initiatives that maintain existing tools/resources available to officers to respond to calls for service. The illegal use of signal jammers poses a significant threat by disrupting public safety communications, hindering emergency response efforts, and enabling criminal activity. These devices have been used to block law enforcement radios, interfere with emergency calls, and prevent victims from contacting first responders. Such actions put the safety of our residents and first responders at risk.

SB 701 provides much-needed enforcement tools by establishing clear penalties, including fines and potential imprisonment, for those who unlawfully use signal jammers, particularly when used in conjunction with criminal activities or to obstruct public safety communications. SB 701 will enable California to take crucial measures to safeguard critical emergency response systems and prevent the misuse of these hazardous devices.

We recognize the importance of protecting the integrity of communication networks and ensuring that law enforcement agencies have the necessary tools to combat criminal activities involving signal jammers.

For these reasons, the City of Santa Clara supports SB 701 (Wahab).

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

cc: Senate Public Safety Committee

isa M. Gilhin



May 22, 2025

The Honorable Aisha Wahab California State Senate 1021 O Street, Room 8530 Sacramento, CA 95814

RE: SB 258 (Wahab): Crimes: Rape

City of Santa Clara - Letter of Support

Dear Senator Wahab,

On behalf of the City of Santa Clara, I am writing to express our support for SB 258, which seeks to amend Section 261 of the Penal Code by removing the spousal exception from the State of California's legal definition of rape.

Current California law defines rape as an act of sexual intercourse accomplished under specific circumstances, including situations where the victim is incapable of giving legal consent due to a mental disorder or developmental or physical disability. However, as currently written, Section 261 of the Penal Code excludes instances where the perpetrator is the spouse of the victim.

SB 258 rectifies this inconsistency by eliminating the spousal exception, thereby ensuring that all individuals, regardless of marital status, are afforded equal protection under the law. By removing outdated legal distinctions that differentiate between married and unmarried individuals in cases of sexual assault, SB 258 reinforces the principle that consent is a fundamental human right that must be respected in all relationships, including marriage.

The City of Santa Clara is committed to advancing legislation that aims to assist individuals in crisis. We commend you for your leadership on this critical issue and urge the Legislature to pass SB 258 to uphold the rights and dignity of all Californians.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Choa M. Gilline



June 4, 2025

The Honorable Melissa Hurtado California State Senate 1021 O Street, Room 6510 Sacramento, CA 95814

RE: SB 496 (Hurtado) Advanced Clean Fleets City of Santa Clara – Letter of Support

Dear Senator Hurtado,

On behalf of the City of Santa Clara, I am writing to express our support for SB 496 (Hurtado), which would create an Advanced Clean Fleets (ACF) Appeals Advisory Committee, ensure disaster service workers are able to effectively respond to emergency situations, and provide needed reforms for compliance.

The ACF has set ambitious compliance deadlines for fleets to transition to Zero Emission Vehicles (ZEVs). The ACF's ZEV transition requires access to adequate utility infrastructure for alternative fueling, such as EV charging, as well as access to ZEVs that operationally can deliver the full spectrum of important and highly specialized services that fleets provide, many of which are vital to the health and safety of Californians. While the ACF allows fleets to request exemptions in cases where fleets cannot meet the compliance timetables, the ACF does not provide clarity on how such exemption requests are to be evaluated and decided upon, nor does it provide a process for any administrative review of exemption request denials by the California Air Resources Board (CARB).

The City of Santa Clara supports efforts to provide flexibility in the transition of local agencies' vehicle fleets to low- and zero-emission vehicles. SB 496 establishes an Appeals Advisory Committee by which local agencies may request a review of exemption request denials. Allowing a formal appeals process ensures transparency while protecting due process for those seeking further review. SB 496 would also update the emergency vehicle exemption, allowing those vehicles that respond to and support critical operations related to emergencies and disasters, often under austere conditions or in remote areas, to continue to protect our communities. Additionally, SB 496 modifies the requirements of the daily usage exemption, removing barriers for the applicant to comply with the mandate.

SB 496 will create essential reforms to the ACF that will protect the health and safety of Californians, avoid unnecessary costs detrimental to our shared long-term goals, and ensure that local agencies can continue to work diligently to decarbonize their fleet operations and comply with the ACF without being penalized for factors beyond their control. For these reasons, the City of Santa Clara supports SB 496.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Isa M. Gume



April 23, 2025

The Honorable Ro Khanna United States House of Representatives 306 Cannon House Office Building Washington, DC 20515

# RE: Letter of Support for Fiscal Year 2026 Community Project Funding Requests from the City of Santa Clara

## Dear Congressman Khanna:

On behalf of the City of Santa Clara, I want to express my gratitude and appreciation to you, and your staff, for your leadership and support. We appreciate the opportunity to work with your office to bring investments and improvements to the residents, businesses, and visitors of our region.

I also want to highlight the City of Santa Clara's requests for community project funding in the Fiscal Year 2026 Federal Appropriations process and respectfully request your support. Our projects specifically seek to facilitate the development of regional community assets, increase opportunities for alternative modes of transportation, and create safe streets for bicyclists and pedestrians.

The City's priority projects are:

#### • Pruneridge Avenue Complete Streets Project

The City of Santa Clara adopted the Pruneridge Avenue Complete Streets Plan in 2022 to implement buffered bicycle lanes along the Pruneridge Avenue corridor in Santa Clara. This east-west roadway is an important part of the County of Santa Clara's cross-county bicycle corridor network and connects San Jose to Santa Clara and job centers in Cupertino. The project will remove portions of travel lanes along Pruneridge Avenue to complete this important cross-county bicycle network and enhance intersections along the corridor with pedestrian improvements such as quick-build curb extensions, ADA curb ramps, and pedestrian signal enhancements. When complete, Pruneridge Avenue will connect to jobs, schools, transit, and trails and provide direct access to the region's first under-development bicycle superhighway. The requested funding will support the City's design and construction of this priority bicycle and pedestrian improvement project in Santa Clara.

#### • Silicon Valley Hopper On-Demand Micro-transit Shuttle

The City of Santa Clara has partnered with the City of Cupertino to implement an on-demand micro-transit shuttle project, known as Silicon Valley Hopper, to serve those who live and work in Cupertino and Santa Clara. With support from a California State Transportation Agency State Transit and Intercity Rail Capital Program grant, the goal is to continue the existing On-Demand Micro-Transit Shuttle Project and expand service into north Santa Clara with a fleet of zero-emissions vehicles. Service is being designed to focus on offering

Representative Ro Khanna

RE: Letter of Support for Fiscal Year 2026 Community Project Funding Requests from the City of Santa Clara Page 2 of 2

improved and affordable connections between local Caltrain, Amtrak, and Valley Transportation Authority (VTA) stations to job centers and other key destinations in Cupertino and Santa Clara while providing increased transit access for disadvantaged communities, high poverty zones, and senior populations.

Thank you for your consideration in championing these projects to help secure community project funding that will support the efforts of the City and benefit the region and State of California.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Jose M. Gilme



June 12, 2025

The Honorable Gavin Newsom, Governor State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

The Honorable Mike McGuire, President pro Tempore California State Senate 1021 O Street, Suite 8518 Sacramento, CA 95814

The Honorable Robert Rivas, Speaker California State Assembly 1021 O Street, Suite 8330 Sacramento, CA 95814

RE: Support for Transit Funding in Cap-and-Invest Negotiations

Dear Governor Newsom, pro Tem McGuire, Speaker Rivas:

On behalf of the City of Santa Clara, I write to voice our concerns with Governor Newsom's proposed Cap-and-Invest Plan and to request that you restore all Greenhouse Gas Reduction Fund (GGRF) investments approved through Fiscal Year 2028-29 for several vital transportation programs. Additionally, we request that you maintain at least the current level of dedicated GGRF funding for transit capital projects and operations beyond 2030.

Santa Clara has committed significant resources to enhance mobility and reduce greenhouse gas emissions by launching an on-demand, zero-emission microtransit service in partnership with the City of Cupertino. Thanks to GGRF funding, the two cities were able to deliver Silicon Valley Hopper (SV Hopper), a multiagency zero-emission, on-demand service in 2023 with Transit and Intercity Rail Capital Program (TIRCP) support. The program provides first and last-mile transit access to major passenger rail operators (Caltrain, ACE, and Amtrak), regional medical facilities (El Camino Hospital Mountain View and Kaiser Santa Clara), and major commercial districts (Westfield Valley Fair) for residents of all ages and income levels. The project also supports disadvantaged communities defined by SB 535 in North Santa Clara. On average, SV Hopper avoids ~29.96 tonnes of CO2e emissions annually.

The Cap-and-Invest Plan proposes to eliminate one-time expenditures to these programs and fails to maintain continuous investments in the California State Transportation Agency's (CalSTA) Transit and Intercity Rail Capital Program (TIRCP) and the California Department of Transportation's (Caltrans) Low Carbon Transit Operations Program (LCTOP). This threatens more than \$3 billion in GGRF funding for public transit and other clean mobility options, including approximately \$2 billion in funding already programmed for individual projects and services.

Governor Newsom, pro Tem McGuire, Speaker Rivas RE: Support for Transit Funding in Cap-and-Invest Negotiations June 12, 2025 Page 2 of 2

\$279 million of GGRF monies have been allocated over the next three fiscal years, including \$100 million of planned investment for FY 2025-26. The proposal eliminates this vital funding and jeopardizes SV Hopper.

Zero-emission microtransit has made a real difference and impact in our community and in communities across California, and we strongly urge that you prioritize support for these types of projects by reincluding their funding programs in the GGRF.

If this funding isn't maintained in the final Cap-and-Invest Plan, it will have potentially devastating impacts for Santa Clara County residents, commuters, and visitors. Without continued LCTOP and TIRCP support, SV Hopper may be eliminated and lose opportunities to expand into underserved parts of Santa Clara County, limiting access to transit for seniors, youth, and essential workers.

For the reasons above, we urge the Governor and Legislature to ensure the final Cap-and-Invest Plan restores vital GGRF funding to the Sustainable Community Strategies Programs, TIRCP, and LCTOP through 2030, and maintains at least the level of dedicated GGRF funding for transit capital projects and operations beyond 2030.

Thank you for your consideration.

Jose M. Gilline

Respectfully,

Lisa M. Gillmor

Mavor

City of Santa Clara

Cc: Senator Aisha Wahab, Assemblymember Patrick Ahrens

2026 World Cup Coalition Letter Sign-On Request The Honorable Gavin Newsom Governor, State of California 1021 O Street, Suite 9000 Sacramento, CA 95814

The Honorable Robert Rivas Speaker, California State Assembly 1021 O Street, Suite 8330 Sacramento, CA 95814

The Honorable Mike McGuire President Pro Tem., California State Senate 1021 O Street, Suite 8518 Sacramento. CA 95814

RE: Support for State Investment in the 2026 FIFA World Cup as a Critical Economic and Recovery Opportunity

Dear Governor Newsom, Senate President Pro Tem McGuire, and Speaker Rivas,

The World Cup represents more than just an event, it is an investment in California's economic future, workforce development, and international reputation. The World Cup will provide an unprecedented opportunity to uplift our economy, uplift communities, and showcase California's resilience on the world stage through the 2026 FIFA World Cup (FWC26) tournament. In light of the recent wildfires in Los Angeles, the economic development associated with the event could certainly help the recovery process.

The undersigned coalition of organizations, businesses, locally elected officials, and community leaders across California strongly supports the budget request for \$50 million per host city to help Los Angeles and the Bay Area prepare for this once-in-a-generation event. The World Cup will bring over 500,000 visitors to California, generate an estimated \$1.1 billion in economic impact, and reinforce California's position as a global tourism, business, and cultural hub. However, hosting a safe and successful World Cup requires significant state investment to address the following key areas:

- -Public Safety & Security Ensuring California is prepared to protect millions of residents, visitors, and global dignitaries across stadiums, public transit, and large fan events.
- -Transit & Transportation Improving public transit capacity and efficiency to accommodate record-breaking crowds, while ensuring continued accessibility for local communities.
- -Community & Economic Development Investing in fan experiences, local business engagement, and tourism marketing to maximize long-term benefits for California beyond the event.

With states like Texas, the only other state with two host cities (Dallas and Houston), already committing \$50 million per host city, California must remain competitive to fully capitalize on this opportunity.

We urge the State Legislature and Governor's Office to prioritize this budget request,

ensuring that Los Angeles and the Bay Area have the necessary resources to deliver a safe, world-class event while fostering long-term economic resilience for California.

Sincerely,



May 2, 2025

Honorable Patrick Ahrens California State Assembly, 26<sup>th</sup> District 1021 O Street, Suite 6110 Sacramento, CA 95814

Re: 2025 State Budget Requests from the City of Santa Clara

Dear Assemblymember Ahrens:

On behalf of the City of Santa Clara, I want to express my appreciation to you and your staff for your support and commitment to the priorities of the City. I look forward to a long, and successful, working relationship between you, your office, and the City to improve the lives of the residents, businesses, and visitors to our great city.

As the State Legislature continues the process of shaping the state budget and evaluating where the state's resources are best invested, I understand things are uncertain at best. If the opportunity arises for district requests to be included in the Legislature's budget, I would like to respectfully present a list of priority funding needs for the City and request your partnership to help secure these critical dollars.

Below are the City's priority projects for consideration, along with a brief description and dollar amount. Recognizing the state's fiscal situation, the City has selected projects that will have significant local and regional impacts, thereby maximizing the return on the state's investment. The City and our legislative advocate are happy to provide more in-depth details and discuss each of these projects further.

I am proud that our values and priorities align and look forward to our continued partnership to serve the Santa Clara community. Thank you for your consideration and I look forward to continuing our work together.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

isa M. Gilline

Assemblymember Patrick Ahrens
Re: 2025 State Budget Requests from the City of Santa Clara

Page 2 of 3

**Title: Oversized Vehicle Parking Program** 

**Amount:** \$1,600,000

**Description:** As housing prices and costs of living continue to rise in Silicon Valley, the number of people living in oversized vehicles parked on City streets without utility and sanitation hookups has also increased. The City's Police Department estimates there are over 100 inhabited oversized vehicles in Santa Clara on any given day and many of them are inoperable. There is a need to expand current City resources to address the basic needs of people living outside and reduce the impacts of unsheltered homelessness throughout the community.

This proposal would fund a sanctioned safe parking pilot program for approximately 30-40 oversized vehicles over 2-3 years. The program would allow 24-7 parking, provide basic hygiene services, daily monitoring for security, and case management to connect residents with services so they can transition to permanent housing. The program would be administered in close coordination with the Santa Clara County Office of Supportive Housing. The City will also explore partnerships with neighboring cities to identify possible sites and to potentially pool resources.

**Title: Pruneridge Avenue Complete Streets Project** 

**Amount:** \$2,500,000

**Description:** In 2022, the City of Santa Clara adopted the Pruneridge Avenue Complete Streets Plan to implement buffered bicycle lanes along the Pruneridge Avenue corridor. This east-west roadway is a crucial part of the County of Santa Clara's cross-county bicycle corridor network, connecting San Jose, Santa Clara, and the Apple campus in Cupertino.

The project involves removing portions of travel lanes along Pruneridge Avenue to complete this important bicycle network and enhance intersections with pedestrian improvements. These enhancements will include quick-build curb extensions, ADA-compliant curb ramps, and upgraded pedestrian signals. Funding is being requested to support the design and construction of this priority project for bicycle and pedestrian improvements in Santa Clara. This project is vital to the City, Silicon Valley region, and the state because it aims to increase pedestrian safety, promote alternative modes of transportation, and connect schools and employment centers to and from the region.

The intersections of Pruneridge Avenue at Woodhams Road and Redwood Avenue are near an elementary school and are frequently used by students crossing Pruneridge Avenue. These locations have been identified in the City of Santa Clara's Pedestrian Master Plan as needing improvements for pedestrian safety. Bicyclists, including students, currently use the portion of Pruneridge Avenue where no bicycle facility currently exists. Bicyclists using this corridor need to navigate between parked vehicles and vehicles traveling with a posted speed limit of 35 mph. Students from two elementary schools located adjacent to this roadway also use this portion of Pruneridge Avenue. This project will provide Class II buffered bikeway that connects to 14 schools with a total enrollment of 8,896 students and over 12,500 employees from job centers along the project corridor.

Assemblymember Patrick Ahrens Re: 2025 State Budget Requests from the City of Santa Clara

Page 3 of 3

Title: 24/7 Library Access Pilot Project

**Amount:** \$641,800

**Description:** The 24/7 Library Access Pilot Project is an innovative initiative that will provide City of Santa Clara residents round-the-clock access to library services and resources through two key components: a pop-up 24/7 community self-service library located at Lawrence Station and a 24/7 freestanding library kiosk to be deployed in north Santa Clara. The requested funding will be used to:

- 1) Stand up a pop-up self-service library in the City of Santa Clara's Lawrence Station Community Room that will serve a high-density neighborhood of over 1,000 households. This library will enable 24/7 access to order library materials, return books, pick up reserved items, browse a popular book collection, videoconference, and host group meetings. Additionally, a computer and free public Wi-Fi will be made available for users to browse all the library's materials and resources; and
- 2) Acquire the EnvisionWare 24-Hour Library, a state-of-the-art self-service kiosk that will expand access to library resources and services for residents with busy schedules or limited proximity to traditional library branches. This freestanding kiosk will be deployed in north Santa Clara and will provide 24/7 access to library resources and services. Users will be able to borrow up to 230 physical items, pick up reserved materials, return books, and access free public Wi-Fi. Additionally, users will be able to digitally access over 1 million e-books and e-resources.

The City of Santa Clara's diverse population, comprised of working families, tech professionals, entrepreneurs, and students, requires flexible access to library services and resources beyond traditional operating hours. By extending library access beyond traditional hours and locations, the Lawrence Station self-service library and EnvisionWare 24-Hour Library kiosk will bridge gaps in service accessibility, empower underserved communities and ensure every resident, regardless of schedule or location, can fully access the City's services and resources.



May 2, 2025

Honorable Aisha Wahab California State Senator, 10<sup>th</sup> District 1021 O Street, Suite 8530 Sacramento, CA 95814

Re: 2025 State Budget Requests from the City of Santa Clara

Dear Senator Wahab:

On behalf of the City of Santa Clara, I want to express my appreciation to you and your staff for your support and commitment to the priorities of the City. I look forward to continuing to work with you and your office to improve the lives of the residents, businesses, and visitors to our great city.

As the State Legislature continues the process of shaping the state budget and evaluating where the state's resources are best invested, I understand things are uncertain at best. If the opportunity arises for district requests to be included in the Legislature's budget, I would like to respectfully present a list of priority funding needs for the City and request your partnership to help secure these critical dollars.

Below are the City's priority projects for consideration, along with a brief description and dollar amount. Recognizing the state's fiscal situation, the City has selected projects that will have significant local and regional impacts, thereby maximizing the return on the state's investment. The City and our legislative advocate are happy to provide more in-depth details and discuss each of these projects further.

I am optimistic that these project requests align with state goals and would be a worthy investment of state funds. Thank you for your consideration.

Sincerely,

Lisa M. Gillmor

Mayor

City of Santa Clara

Jsa M. Gume

Senator Aisha Wahab Re: 2025 State Budget Requests from the City of Santa Clara Page 2 of 3

**Title: Oversized Vehicle Parking Program** 

**Amount:** \$1,600,000

**Description:** As housing prices and costs of living continue to rise in Silicon Valley, the number of people living in oversized vehicles parked on City streets without utility and sanitation hookups has also increased. The City's Police Department estimates there are over 100 inhabited oversized vehicles in Santa Clara on any given day and many of them are inoperable. There is a need to expand current City resources to address the basic needs of people living outside and reduce the impacts of unsheltered homelessness throughout the community.

This proposal would fund a sanctioned safe parking pilot program for approximately 30-40 oversized vehicles over 2-3 years. The program would allow 24-7 parking, provide basic hygiene services, daily monitoring for security, and case management to connect residents with services so they can transition to permanent housing. The program would be administered in close coordination with the Santa Clara County Office of Supportive Housing. The City will also explore partnerships with neighboring cities to identify possible sites and to potentially pool resources.

**Title: Pruneridge Avenue Complete Streets Project** 

**Amount:** \$2,500,000

**Description:** In 2022, the City of Santa Clara adopted the Pruneridge Avenue Complete Streets Plan to implement buffered bicycle lanes along the Pruneridge Avenue corridor. This east-west roadway is a crucial part of the County of Santa Clara's cross-county bicycle corridor network, connecting San Jose, Santa Clara, and the Apple campus in Cupertino.

The project involves removing portions of travel lanes along Pruneridge Avenue to complete this important bicycle network and enhance intersections with pedestrian improvements. These enhancements will include quick-build curb extensions, ADA-compliant curb ramps, and upgraded pedestrian signals. Funding is being requested to support the design and construction of this priority project for bicycle and pedestrian improvements in Santa Clara. This project is vital to the City, Silicon Valley region, and the state because it aims to increase pedestrian safety, promote alternative modes of transportation, and connect schools and employment centers to and from the region.

The intersections of Pruneridge Avenue at Woodhams Road and Redwood Avenue are near an elementary school and are frequently used by students crossing Pruneridge Avenue. These locations have been identified in the City of Santa Clara's Pedestrian Master Plan as needing improvements for pedestrian safety. Bicyclists, including students, currently use the portion of Pruneridge Avenue where no bicycle facility currently exists. Bicyclists using this corridor need to navigate between parked vehicles and vehicles traveling with a posted speed limit of 35 mph. Students from two elementary schools located adjacent to this roadway also use this portion of Pruneridge Avenue. This project will provide Class II buffered bikeway that connects to 14 schools with a total enrollment of 8,896 students and over 12,500 employees from job centers along the project corridor.

Senator Aisha Wahab Re: 2025 State Budget Requests from the City of Santa Clara Page 3 of 3

Title: 24/7 Library Access Pilot Project

**Amount:** \$641,800

**Description:** The 24/7 Library Access Pilot Project is an innovative initiative that will provide City of Santa Clara residents round-the-clock access to library services and resources through two key components: a pop-up 24/7 community self-service library located at Lawrence Station and a 24/7 freestanding library kiosk to be deployed in north Santa Clara. The requested funding will be used to:

- 1) Stand up a pop-up self-service library in the City of Santa Clara's Lawrence Station Community Room that will serve a high-density neighborhood of over 1,000 households. This library will enable 24/7 access to order library materials, return books, pick up reserved items, browse a popular book collection, videoconference, and host group meetings. Additionally, a computer and free public Wi-Fi will be made available for users to browse all the library's materials and resources; and
- 2) Acquire the EnvisionWare 24-Hour Library, a state-of-the-art self-service kiosk that will expand access to library resources and services for residents with busy schedules or limited proximity to traditional library branches. This freestanding kiosk will be deployed in north Santa Clara and will provide 24/7 access to library resources and services. Users will be able to borrow up to 230 physical items, pick up reserved materials, return books, and access free public Wi-Fi. Additionally, users will be able to digitally access over 1 million e-books and e-resources.

The City of Santa Clara's diverse population, comprised of working families, tech professionals, entrepreneurs, and students, requires flexible access to library services and resources beyond traditional operating hours. By extending library access beyond traditional hours and locations, the Lawrence Station self-service library and EnvisionWare 24-Hour Library kiosk will bridge gaps in service accessibility, empower underserved communities and ensure every resident, regardless of schedule or location, can fully access the City's services and resources.



### **Bill Summary and Positions**

Bill Number	Summary	City Position	LAP Alignment
AB 650 (Papan)	This bill would extend	No Action	Most of the bill aligns with the
Housing element	a number of timelines		following position statement
reform	in the process of	(Note: The bill	within the Housing LAP.
	determining regional	removes language	_
	housing needs and	that would have	"Support legislation that creates
	regional housing	protected cities from	a more equitable Regional
	needs allocations	builder's remedy risk	Housing Needs Allocation
	(RHNA) and housing	while working on	(RHNA) process that takes into
	element revisions	revising a non-	account local factors including
	and require the	compliant housing	existing proportion of deed
	Department of	element. The City	restricted affordable housing
	Housing and	has concerns about	stock in each City, availability of
	Community	the removal of this	developable land, and other
	Development (HCD)	protection.)	factors related to developing
	to provide specific		the regional allocation of
	analysis or text to		housing units."
	local governments to		
	remedy deficiencies		
	in their draft housing		
	element revisions.		
SB 79 (Wiener)	This bill would make	No Action	Housing LAP
Transit-oriented	transit oriented	11071011011	
development	development an		
'	allowable use on any		"Oppose measures that reduce
	site zoned residential,		local control over land use and
	mixed, commercial,		planning decisions and are
	or light industrial		punitive in nature towards local
	development; make		government."
	changes to the		9
	surplus lands act		
	related to transit		
	agencies; and		
	exempt certain		
	projects on land		
	owned by a public		
	transit agency from		
	CEQA. The bill would		
	establish various		
	height, density, and		
	FAR standards for		
	transit-oriented		
	development, based		
	on a project's		
	proximity to various		
	modes of transit.		

SB 753 (Cortese) Local authority on shopping cart retrieval and fines	This bill would allow cities and counties, for shopping carts located away from a store location, to retrieve and return carts to the parking area of the store owner or impound the cart if the retailer does not retrieve a cart within three days of receiving notice. The measure also removes the \$50 limit that a city/county can charge a retailer for failing to retrieve a shopping cart (for each occurrence in excess of three in a six-period) to instead cover the actual cost for retrieval/return.	No Action	Outside of scope of LAPs
SB 457 (Becker) Misuse of builders remedy	This bill revises Housing Element Law to specify that a local agency's housing element is in compliance the date it is adopted if the element is subsequently certified by the Department of Housing and Community Development or a court of competent jurisdiction, and changes the vesting period for builder's remedy projects.	No action  (Note: this measure failed in Senate Housing Committee (1-2) and is ineligible for additional consideration until January 2026)	Outside of scope of LAPs
AB 262 (Caloza) California Individual Assistance Act	This bill would establish the California Individual Assistance Act to provide assistance to local agencies, community-based organizations, and individuals recovering	Support	Emergency Management LAP  "Supports efforts to provide direct relief funding to local jurisdictions, especially small and medium-sized cities, which can be utilized to mitigate, prepare, respond to, and recover from any all-hazard

	from disasters and requires Cal OES to prioritize state disaster relief to communities that do not meet thresholds for federal disaster assistance programs.		emergencies and emergent crises and threats, including offsetting lost revenue and reimbursing incurred costs."
AB 846 (Connolly) Incidental take permit for endangered species	This bill establishes a process to facilitate the approval of an incidental take permit (ITP) for listed species, if any, needed by a local agency to undertake wildfire preparedness activities. The bill would, among other things, 1) Authorize a local agency to submit to the Department of Fish and Wildlife (DFW) a wildfire preparedness plan (plan) to conduct wildfire preparedness activities on land designated as a fire hazard severity zone (FHSZ) that minimizes impacts to wildlife and habitat for candidate, threatened, and endangered species (listed species), and meets additional specified criteria. 2) Allow DFW to impose a fee on a local agency for the cost of reviewing the plan submitted by that local agency, consistent with DFW's fee authority.	Support	Sustainability and Environmental Protection LAP  "Support legislation, regulations, and funding to strengthen forest management and fire prevention activities and improve emergency preparedness and response. These include, but are not limited to, the modernization of vegetation and forest management practices for wildfire prevention and carbon sequestration and biomass production for energy, forest thinning, and other activities to improve the health of forests damaged by infestation of bark beetles, plant pathogens, drought, or other hazards that exponentially increase wildfire dangers."
SB 326 (Becker) California Wildfire Mitigation Strategic Planning Act	This bill would require the Deputy Director of Community Wildfire	Support	Sustainability and Environmental Protection LAP –

	Preparedness and Mitigation within the California Department of Forestry and Fire Protection to prepare and regularly update a Wildfire Risk Mitigation Planning Framework to quantitatively evaluate wildfire risk mitigation actions, a Wildfire Risk Baseline and Forecast to evaluate targeted wildfire risk mitigation actions, and a Wildfire Mitigation Scenarios Report.		"Support legislation, regulations, and funding to strengthen forest management and fire prevention activities and improve emergency preparedness and response. These include, but are not limited to, the modernization of vegetation and forest management practices for wildfire prevention and carbon sequestration and biomass production for energy, forest thinning, and other activities to improve the health of forests damaged by infestation of bark beetles, plant pathogens, drought, or other hazards that exponentially increase wildfire dangers."
SB 252 (Valladares) CEQA exemption for undergrounding powerlines	This bill would exempt from the provisions of CEQA a project to underground powerlines.	No Action  (Note: this bill was not considered by a policy committee prior to the deadline and is therefore not eligible for additional consideration until January 2026)	Outside of scope of LAPs
AB 66 (Tangipa) CEQA exemption for emergency egress routes	This bill would exempt from CEQA egress route projects in subdivisions reviewed by the State Board of Forestry and Fire Protection (BOF) where the BOF recommends creation of secondary access to the subdivision.	No Action	Appears to be outside of scope of LAPs. The City requires additional time to review this bill.
AB 300 (Lackey) State Fire Marshall: revision of fire hazard severity maps	This bill would add a minimum time frame, of five years, to the frequency in which the State Fire Marshall (SFM) must review lands within state responsibility areas identified as	No Action	Appears to be outside of scope of LAPs. The City requires additional time to review this bill.

	fire hazard severity zones (FHSZ) and areas in the state identified as moderate, high, and very high FHSZs, and requires the SFM to re-review areas in the state and lands in the SRA not previously identified or classified as FHSZs and if applicable, identify or classify new areas.		
AB 261 (Quirk-Silva) State Fire Marshall: fire hazard severity zones	This bill would authorizes the State Fire Marshal to confer with, and receive documentation from, entities on actions that may impact the degree of fire hazard in an area or the area's recommended fire hazard severity zone designation and authorizes the SFM to provide a written response to an entity, which must be posted on the SFM's website along with any related documentation provided by an entity.	No Action	Appears to be outside of scope of LAPs. The City requires additional time to review this bill.



### City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

### Agenda Report

25-731 Agenda Date: 7/8/2025

### REPORT TO COUNCIL

### SUBJECT

Action on Authorizing the City Manager to Negotiate and Execute Amendments to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System

### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

### BACKGROUND

The City's utility billing operations rely on the NorthStar Customer Information System (NorthStar CIS) provided by N. Harris Computer Corporation (Harris). NorthStar CIS is a critical utility billing system that supports ten interconnected user applications that enable seamless integration between meter reading, service orders, meter data management, utility bill generation, payment collection across multiple channels, and customer service delivery, including both a call center and an online self-service web portal.

The City originally entered into an agreement with Harris in 1998 for the implementation, support, and maintenance of the NorthStar CIS. In 2017, the City Council authorized the City Manager to execute a new agreement with Harris (2017 Agreement) to upgrade NorthStar CIS from version 6.3 to version 6.4, with a maximum compensation of \$276,648 and a term through December 7, 2020. Since then, the agreement has been amended multiple times to incorporate additional critical projects and increase compensation, as summarized below:

- Amendment No. 1 (Authorized under RTC# 20-714, executed December 1, 2020): Extended the term through December 31, 2023, with no change in the maximum compensation. City Council also authorized the City Manager to negotiate and execute future amendments for additional work related to transitioning the customer payment system from NorthStar CIS to the City's Smart Energy Water (SEW) platform to ensure compliance with Payment Card Industry Data Security Standard (PCI DSS). The PCI DSS is a set of security requirements designed to protect cardholder data and reduce payment card fraud, applicable to any entity that stores, processes, or transmits cardholder data.
- Amendment No. 2 (Executed December 16, 2020): Increased compensation by \$189,551
  for a revised maximum compensation not to exceed \$466,199 for the work related to the SEW
  project, as authorized under RTC# 20-714.
- Amendment No. 3 (Executed January 2, 2024): Extended the term through December 31, 2025, to accommodate additional time needed to complete the SEW project, as authorized under RTC# 20-714.

• Amendment No. 4 (Authorized under RTC# 24-168, executed May 1, 2024): This amendment modified the scope of services to include discovery work needed to ensure ongoing compatibility between the NorthStar CIS and Silicon Valley Power's proposed updated meter data management system. Once the updates are complete, Silicon Valley Power will be able to export 15-minute meter data to other systems, significantly reducing staff time troubleshooting system communications issues and improving support for customer service activities relating to energy usage. This scope of work represented the first step in a two-step process and the second step is proposed to be included in Amendment No. 7, as discussed below. In Amendment No. 4, compensation was increased by \$70,857 for a revised not-to-exceed amount of \$537,056.

 Amendment No. 5 (Authorized RTC# 25-139, executed May 9, 2025): Increased compensation by \$233,391 for a revised maximum compensation not to exceed \$770,447 for additional work on the NorthStar server migration and mCare upgrade projects.

The purpose of this report is to request City Council authorization to negotiate and execute Amendment No. 6 and Amendment No. 7 to support two new projects and provide additional flexibility and authorization for future work necessary to maintain this critical utility billing system.

### DISCUSSION

Since the execution of the 2017 Agreement with Harris, the NorthStar CIS has undergone various updates and modifications to maintain compliance with industry standards and align with the City's evolving operational needs and technology platforms. As outlined above, these have been implemented through successive amendments to the agreement.

At this time, two new work efforts have been identified that require further amendment of the 2017 Agreement to ensure continuity of service and support the continued modernization of the system.

### 1. NorthStar Customer Connect Update

The NorthStar CIS Customer Connect module is the current online self-service portal through which residents access their utility accounts information and submit payments. While the City is in the process of transitioning to a new, modern, cloud-hosted portal provided by SEW, with public release anticipated in late 2025, the legacy Customer Connect portal remains in use.

Currently, all merchant services and credit card processing transactions for the legacy Customer Connect portal are processed through Bank of America (BOA), Harris' banking services provider. BOA has announced a mandatory upgrade to its payment processing system, CyberSource, which is scheduled to go live in August 2025. To maintain uninterrupted service and remain compliant with PCI DSS, the City must implement corresponding updates to the Customer Connect portal to ensure it functions properly with the new CyberSource platform.

Failure to update the Customer Connect portal in advance of the CyberSource transition will result in the shutdown of the Customer Connect portal, which will disrupt the City's ability to accept online utility payments during the critical period before the SEW portal goes live.

To prevent such disruption, staff is requesting authorization to negotiate and execute Amendment No.

6 to the 2017 Agreement to support the development, quality assurance, testing, and deployment of the required updates to the Customer Connect portal. The cost for this work is not to exceed \$45.756.

### 2. EnergyIP Integration Modernization

The authorization provided in Amendment No. 4 supported Step 1 of a two-step process to upgrade the existing integration between the NorthStar CIS and the EnergyIP Meter Data Management System. That initial discovery process is now complete, and Harris has provided a scope of work to complete the EnergyIP Integration Modernization. To complete the upgrade, SVP will need to upgrade the Honeywell NetSense System (Data Collection), Siemens EnergyIP (EIP) System (Data Management), and the NorthStar CIS. Staff is coordinating with all three vendors and is ready to proceed with the work and a contract amendment with Harris.

To support the services necessary to modernize SVP's meter data management system and maintain seamless integration with the NorthStar CIS, staff is requesting authorization to negotiate and execute Amendment No. 7 to the 2017 Agreement to support the planning, testing, development, and integration of the upgrades to the EnergyIP Meter Data Management System. The total cost for this work is a fixed price of \$215,500.

### Authorization for Additional Unanticipated Work

In addition to the two identified work efforts, staff anticipates that additional needs may arise to support the continued operation and modernization of the NorthStar CIS. Given the complexity of the system and its integration with multiple applications, flexibility is needed to respond promptly to urgent or emerging requirements that fall outside the scope of the standard maintenance services.

To address these potential needs, including any additional requirements that may arise under Amendment No. 6 or Amendment No. 7, staff is requesting authorization to negotiate and execute future amendments to the 2017 Agreement for additional services in a total amount not to exceed \$300,000 that may be required to maintain system compatibility, support compliance, respond to operational requirements or to take other actions necessary to implement and administer the agreement.

### Summary of Cost Impact

Table 1 below summarizes the current and proposed amounts under the 2017 Agreement with Harris.

Table 1 - Compensation Summary

Description	Amount
Current Authorized Compensation (Original Agreement and Amendments No. 1 - 5)	\$770,447
Proposed Amendments: Customer Connect Update (\$45,756) and EnergyIP Integration Modernization (\$215,500)	\$261,256
Subtotal - Revised Compensation After Amendments No. 6 and 7	\$1,031,703

Proposed Authorization for Future Unanticipated Work	\$300,000
Total Not-to-Exceed Maximum Compensation	\$1,331,703

### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of a California Environmental Quality Act ("CEQA") pursuant to pursuant to section 15061(b)(3) of Title 14 of the California Code of Regulations in that it can be seen with certainty that there is no possibility that these upgrades and modifications may have a significant effect on the environment.

### FISCAL IMPACT

The proposed Amendment No. 6 adds up to \$45,756 to support the NorthStar Customer Connect Update with funding available through the Utility Management Information System (UMIS) Enhancements project in the General Government Capital Fund (Project 6103).

The proposed Amendment No. 7 adds up to \$215,500 (funded by SVP) to support the EnergyIP Modernization project. Funding is available in the Operations and Planning Technology project in the Electric Utility Capital Fund (Project 2395).

Future amendments may add up to \$300,000 for additional services required to maintain system compatibility, support compliance, respond to operational requirements or to take other actions necessary to ensure the ongoing functionality of the system. Funding for potential future amendments will be determined as needs arise and according to the available budgets for the areas in which additional services are needed.

### COORDINATION

This report has been coordinated with the Finance and Information Technology Departments, Silicon Valley Power, and the City Attorney's Office.

### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

### RECOMMENDATION

- 1. Authorize the City Manager or designee to negotiate and execute Amendment No. 6 and Amendment No. 7 to the agreement with N. Harris Computer Corporation (Agreement) for the NorthStar Customer Information System Customer Connect Portal integration with CyberSource and the EnergyIP Integration Modernization, including extending the term to December 31, 2028 and increasing the maximum compensation by \$261,256 for a revised maximum compensation not to exceed \$1,031,703, subject to the review and approval as to form by the City Attorney; and
- 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the Agreement, including negotiating and executing future amendment(s) to (a) add, modify, or delete services, including software subscription or support services, (b) increase the maximum compensation by an additional \$300,000 for a total maximum compensation amount

not-to-exceed \$1,331,703 to cover unanticipated services required to maintain system compatibility, support compliance, or respond to operational requirements, (c) extend the term as needed to complete approved projects, and (d) make de minimis changes, all subject to the total maximum compensation of \$1,331,703, appropriation of funds, and review and approval as to form by the City Attorney.

Reviewed by: Kenn Lee, Director of Finance

Reviewed by: Nico Procos, Acting Director of Electric Utility

Approved by: Jovan Grogan, City Manager

### **ATTACHMENTS**

- 1. 2017 Harris Agreement
- 2. RTC 20-714
- 3. Amendment No. 1
- 4. Amendment No. 2
- 5. Amendment No. 3
- 6. Amendment No. 4
- 7. RTC 24-168
- 8. Amendment No. 5
- 9. RTC 25-139

AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NORTHSTAR UTILITIES SOLUTIONS

### PREAMBLE

This agreement for the performance of services ("Agreement") is by and between NorthStar Utilites Solutions, an Ontario Corporation with its principal place of Business located at 1 Antares Dr., Suite 400, Ottawa, Ontario K2E 8C4 ("Contractor"), and the City of Santa Clara, California, a chartered

California municipal corporation with its primary business address at 1500 Warburton Avenue, Santa Clara, California 95050 ("City"). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

### RECITALS

- A. City desires to secure professional services more fully described in this Agreement, at Exhibit A, entitled "Scope of Services"; and
- B. Contractor has the professional qualifications, expertise, necessary licenses and desire to provide certain goods and/or required services of the quality and type which meet objectives and requirements of City; and,
- C. The Parties have specified herein the terms and conditions under which such services will be provided and paid for.

The Parties agree as follows:

### AGREEMENT PROVISIONS

### 1. EMPLOYMENT OF CONTRACTOR.

City hereby employs Contractor to perform services set forth in this Agreement. To accomplish that, City may assign a Project Manager to personally direct the Services to be provided by Contractor and will notify Contractor in writing of City's choice. City shall pay for all such materials and services provided which are consistent with the terms of this Agreement.

### 2. SERVICES TO BE PROVIDED.

Except as specified in this Agreement, Contractor shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise (collectively referred to as "Services") to satisfactorily complete the work



required by City at his/her own risk and expense. Services to be provided to City are more fully described in Exhibit A entitled "SCOPE OF SERVICES." All of the exhibits referenced in this Agreement are attached and are incorporated by this reference. If any terms in Exhibits, or attachments to Exhibits, contradict terms of this Agreement, then the terms of this Agreement shall be controlling.

### 3. COMMENCEMENT AND COMPLETION OF SERVICES.

- A. Contractor shall begin providing the services under the requirements of this Agreement upon receipt of written Notice to Proceed from City. Such notice shall be deemed to have occurred three (3) calendar days after it has been deposited in the regular United States mail. Contractor shall complete the Services within the time limits set forth in the Scope of Services or as mutually determined in writing by the Parties.
- B. When City determines that Contractor has satisfactorily completed the Services, City shall give Contractor written Notice of Final Acceptance. Upon receipt of such notice, Contractor shall not incur any further costs under this Agreement. Contractor may request this determination of completion be made when, in its opinion, the Services have been satisfactorily completed. If so requested by the contractor, City shall make this determination within fourteen (14) days of its receipt of such request.

# 4. QUALIFICATIONS OF CONTRACTOR - STANDARD OF WORKMANSHIP.

Contractor shall perform such services and duties in conformance to and consistent with the professional standards of a specialist in the same discipline in the State of California.

The plans, designs, specifications, estimates, calculations, reports and other documents furnished under Exhibit A shall be of a quality acceptable to City. The criteria for acceptance of the work provided under this Agreement shall be a product of neat appearance, well organized, that is technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by City for similar projects.

### 5. TERM OF AGREEMENT.

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date of this Agreement and terminate three years from that date.

### 6. MONITORING OF SERVICES.

City may monitor the Services performed under this Agreement to determine whether Contractor's operation conforms to City policy and to the terms of this Agreement. City



may also monitor the Services to be performed to determine whether all operations are conducted in accord with applicable City, county, state, and federal requirements. Contractor's conformance with applicable City policies and City, county, state and federal requirements is a material term of this Agreement.

### 7. WARRANTY.

Contractor warrants that the Services will be performed in a professional and diligent manner by personnel who are competent in performing their individual tasks.

Contractor makes no representation or warranty, and City so acknowledges, regarding the merchantability of the Services, or their fitness for a particular purpose.

### 8. BUSINESS TAX LICENSE REQUIRED.

Contractor must comply with Santa Clara City Code section 3.40.060, as that section may be amended from time to time or renumbered, which requires that any person who transacts or carries on any business in the City of Santa Clara pay business license tax to the City. A business tax certificate may be obtained by completing the Business Tax Affidavit Form and paying the applicable fee at the Santa Clara City Hall Municipal Services Division.

### 9. RESPONSIBILITY OF CONTRACTOR.

Contractor shall be responsible for the professional quality, technical accuracy and coordination of the Services furnished by it under this Agreement. Neither City's review, acceptance, nor payments for any of the Services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

Any acceptance by City of plans, specifications, construction contract documents, reports, diagrams, maps and other material prepared by Contractor shall not in any respect absolve Contractor from the responsibility Contractor has in accordance with customary standards of good professional practice in compliance with applicable federal, state, county, and/or municipal laws, ordinances, regulations, rules and orders.

### 10. COMPENSATION AND PAYMENT.

In consideration for Contractor's complete performance of Services, City shall pay Contractor for all materials provided and services rendered by Contractor as outlined in Exhibit B, entitled "SCHEDULE OF FEES."

Contractor will bill City on a monthly basis for Services provided by Contractor during the preceding month, subject to verification by City. City will pay Contractor within thirty (30) days of City's receipt of invoice.



### 11. TERMINATION OF AGREEMENT.

Either Party may terminate this Agreement without cause by giving the other Party written notice ("Notice of Termination") which clearly expresses that Party's intent to terminate the Agreement. Notice of Termination shall become effective no less than ninety (90) calendar days after a Party receives such notice. After either Party terminates the Agreement, Contractor shall discontinue further services as of the effective date of termination, and City shall pay Contractor for all Services satisfactorily performed up to such date.

If Contractor should neglect to perform the Services properly or otherwise fail to comply with any term of this Agreement, the City must notify Contractor in writing of such default (a "Default Notice"). Upon receipt of a Default Notice, Contractor must either correct the default at no additional cost to the City, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If Contractor fails to correct the default, or issue a notice disputing the alleged default, in either case within ninety (90) days following receipt of the Default Notice, the City may terminate the whole of this Agreement or the part of this Agreement relating to the provision of Services and in such case will be responsible for payment to Contractor of only that part of the fee earned by Contractor for those Services performed up to the time of communication of such notice of termination to Contractor that is not disputed by City.

If the City should fail to comply with its obligations under this Agreement, Contractor must notify the City in writing of such default (a "Default Notice"). Upon receipt of a Default Notice, the City must correct the default at no additional cost to Contractor, or issue a written notice of its own disputing the alleged default, in either case within thirty (30) days immediately following receipt of a Default Notice. If the City fails to correct the default, or issue a notice disputing the alleged default, in either case within ninety (90) days following receipt of the Default Notice, Contractor may terminate the whole of this Agreement and in such case the City will be responsible for payment to Contractor of only that part of the fee earned by Contractor for that part of the Services performed in accordance with this Agreement up to the time of communication of such notice of termination to the City that is not disputed by City.

### 12. NO ASSIGNMENT OR SUBCONTRACTING OF AGREEMENT.

Contractor shall not hire subcontractors without express written permission from City. Contractor shall be as fully responsible to the City for acts and omissions of its subcontractors, and persons directly or indirectly employed by its subcontractors, as it is for persons directly or indirectly employed by Contractor.

Neither party may assign any of its rights or duties under this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld, except that either party may assign to a successor entity in the event of its dissolution, acquisition, sale of substantially all of its assets, merger or other change in legal status.



The Agreement shall inure to the benefit of and be binding upon the parties to this Agreement and their respective successors and permitted assigns.

### 13. NO THIRD PARTY BENEFICIARY.

This Agreement shall not be construed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action under this Agreement for any cause whatsoever.

### 14. INDEPENDENT CONTRACTOR.

Contractor and all person(s) employed by or contracted with Contractor to furnish labor and/or materials under this Agreement are independent contractors and do not act as agent(s) or employee(s) of City. Contractor has full rights, however, to manage its employees in their performance of Services under this Agreement. Contractor is not authorized to bind City to any contracts or other obligations.

### 15. NO PLEDGING OF CITY'S CREDIT.

Under no circumstances shall Contractor have the authority or power to pledge the credit of City or incur any obligation in the name of City. Contractor shall save and hold harmless the City, its City Council, its officers, employees, boards and commissions for expenses arising out of any unauthorized pledges of City's credit by Contractor under this Agreement.

### 16. CONFIDENTIALITY OF MATERIAL.

All ideas, memoranda, specifications, plans, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for Contractor and all other written information submitted to Contractor in connection with the performance of this Agreement shall be held confidential by Contractor and shall not, without the prior written consent of City, be used for any purposes other than the performance of the Services nor be disclosed to an entity not connected with performance of the Services. Nothing furnished to Contractor which is otherwise known to Contractor or becomes generally known to the related industry shall be deemed confidential.

### 17. USE OF CITY NAME OR EMBLEM.

Contractor shall not use City's name, insignia, or emblem, or distribute any information related to services under this Agreement in any magazine, trade paper, newspaper or other medium without express written consent of City.

### 18. OWNERSHIP OF MATERIAL.

(a) The parties agree that no materials or documents are being created for the City by Contractor under this Agreement. All materials and documents which



were developed or prepared by Contractor for general use and which are not the copyright of any other party or publicly available, including educational materials, shall continue to be the property of Contractor.

(b) Where the City requests custom materials or documents, the parties shall enter into a separate written agreement which shall include a duly executed statement of work and such other provisions as are typically found in an agreement of that nature, including without limitation, provisions regarding the ownership of such customer materials or documents.

### 19. RIGHT OF CITY TO INSPECT RECORDS OF CONTRACTOR.

City, through its authorized employees, representatives or agents shall have the right the term of this Agreement and for three (3) years from the date of final payment for goods or services provided under this Agreement, to audit the books and records of Contractor for the purpose of verifying any and all charges made by Contractor in connection with Contractor compensation under this Agreement, including termination of Contractor. Contractor agrees to maintain sufficient books and records in accordance with generally accepted accounting principles to establish the correctness of all charges submitted to City. Any expenses not so recorded shall be disallowed by City.

Contractor shall submit to City any and all reports concerning its performance under this Agreement that may be requested by City in writing. Contractor agrees to assist City in meeting City's reporting requirements to the State and other agencies with respect to Contractor's Services hereunder.

### 20. FORCE MAJEURE

Neither party shall be liable for delay or failure in performance resulting from acts beyond the control of such party including, but not limited to, acts of God, acts of war or of the public enemy, riots, fire, flood, or other natural disaster, acts of government (other than City), strike, walkout, communication line or power failure, failure in operability or destruction of the City's computer (unless by reason of the negligence of a party to this Agreement), or failure or inoperability of any software other than software provided by Contractor (unless by reason of the negligence of a party to this Agreement). Any applicable delivery schedule shall be extended by a period of time equal to the time lost because of any such delay.

### 21. FAIR EMPLOYMENT.

Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, gender, sexual orientation, age, disability, religion, ethnic background, or marital status, in violation of state or federal law.

### 22. HOLD HARMLESS/INDEMNIFICATION/LIMITATION OF LIABILITY.

a. Contractor shall indemnify, defend and hold harmless CITY, its officers, officials,



employees and agents, from and against any and all third-party losses, liabilities, damages, costs, assessments, expenses (including, without limitation, interest, penalties, fines, expert fees and reasonable attorneys' fees), incurred in connection with any and all third-party causes of action, claims, demands, actions, suits, proceedings, settlements and judgments (collectively, "Claims") which CITY may incur or suffer or be put to by reason of or in connection with or arising directly or indirectly from any breach, violation or non-performance by Contractor of any obligation contained in this Agreement to be observed by Contractor, or any negligent acts or omissions of Contractor, or any wrongful act or willful misconduct of CONTRACTOR, its officers, employees, agents or subcontractors which relates to this Agreement, however arising. This indemnity is only effective where (i) CITY has provided prompt notice of the claim, action or demand to Contractor; (ii) CITY has not made any admissions of liability or settlement offers either prior to or after providing notice to Contractor of the applicable claim except with Contractor's prior written consent, except to the extent required by applicable law, (iii) Contractor has sole control of the defense of any claim or proceeding and all negotiations for its compromise or settlement; (iv) CITY provides reasonable assistance to Contractor, at Contractor's expense throughout the action or proceeding, and (v) CITY may, at CITY's sole cost and expense, retain counsel of its own choosing who shall be permitted to attend settlement conferences and hearings or other court appearances and hearings (except where the court has specifically ordered otherwise) related to the proceeding.

- b. The City and Contractor recognize that circumstances may arise entitling the City to damages for breach or other fault on the part of Contractor arising from this Agreement. The parties agree that in all such circumstances the City's remedies and Contractor's liabilities will be limited as set forth below and that these provisions will survive notwithstanding the termination or other discharge of the obligations of the parties under this Agreement.
  - EXCEPT FOR DAMAGES ARISING OUT OF (a) EITHER PARTY'S BREACH OF ITS CONFIDENTIALITY OBLIGATIONS, (b) CONTRACTOR'S INTENTIONAL MISREPRESENTATION, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, (c) INJURY OR DEATH TO PERSONS OR (d) DAMAGE TO TANGIBLE OR REAL PROPERTY, BOTH PARTIES AGREE THAT CONTRACTOR'S ENTIRE LIABILITY (UNDER CONTRACT OR IN TORT INCLUDING FUNDAMENTAL BREACH, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE), IF ANY, FOR ANY DAMAGES RELATING TO THIS AGREEMENT SHALL NOT EXCEED THREE HUNDRED



AND FIFTY THOUSAND DOLLARS \$350,000.00.

- ii. IN ADDITION TO THE FOREGOING, EXCEPT FOR DAMAGES ARISING OUT OF (a) INJURY OR DEATH TO PERSONS OR (b) DAMAGE TO TANGIBLE OR REAL PROPERTY, NEITHER PARTY SHALL BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, OR SPECIAL DAMAGES, LOST REVENUE, LOSS OF DATA OR LOSS OF PROFITS, EVEN IF SUCH OTHER PARTY HAS BEEN ADVISED OF THE LIKELIHOOD OF THE OCCURRENCE OF SUCH LOSS OR DAMAGES AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.
- iii. CLAUSES (i) AND (ii) SHALL APPLY IN RESPECT OF ANY CLAIM, DEMAND OR ACTION BY A PARTY IRRESPECTIVE OF THE NATURE OF THE CAUSE OF ACTION UNDERLYING SUCH CLAIM, DEMAND OR ACTION, INCLUDING, BUT NOT LIMITED TO, BREACH OF CONTRACT, RESCISSION OF CONTRACT, OR TORT.

### 23. INSURANCE REQUIREMENTS.

During the term of this Agreement, and/or any time period set forth in Exhibit C, Contractor shall provide and maintain in full force and effect, at no cost to City insurance policies with respect to employees and vehicles assigned to the Performance of Services under this Agreement with coverage amounts, required endorsements, certificates of insurance, and coverage verifications as defined in Exhibit C.

### 24. AMENDMENTS.

This Agreement may be amended only with the written consent of both Parties.

### 25. INTEGRATED DOCUMENT.

This Agreement represents the entire agreement between City and Contractor. No other understanding, agreements, conversations, or otherwise, with any representative of City prior to execution of this Agreement shall affect or modify any of the terms or obligations of this Agreement. Any verbal agreement shall be considered unofficial information and is not binding upon City.

### 26. SEVERABILITY CLAUSE.

In case any one or more of the provisions in this Agreement shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions, which shall remain in full force and effect.



#### 27. WAIVER.

Contractor agrees that waiver by City of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

#### 28. NOTICES.

All notices to the Parties shall, unless otherwise requested in writing, be sent to City addressed as follows:

City of Santa Clara

Attention: Finance Department 1500 Warburton Avenue

Santa Clara, California 95050 or by facsimile at (408) 243-8687

And to Contractor addressed as follows:

Name: NorthStar Utilities Solutions

Address: 1 Antares Dr., Suite 400., Ottawa, ON K2E 8C4

or by facsimile at 613-226-3377

If notice is sent via facsimile, a hard copy of the material shall also be mailed. The workday the facsimile was sent shall control the date notice was deemed given if there is a facsimile machine generated document on the date of transmission. A facsimile transmitted after 1:00 p.m. on a Friday shall be deemed to have been transmitted on the following Monday.

#### 29. CAPTIONS.

The captions of the various sections, paragraphs and subparagraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation.

#### 30. LAW GOVERNING CONTRACT AND VENUE.

This Agreement shall be governed and construed in accordance with the statutes and laws of the State of California. The venue of any suit filed by either Party shall be vested in the state courts of the County of Santa Clara, or if appropriate, in the United States District Court, Northern District of California, San Jose, California.

#### 31. DISPUTE RESOLUTION.

A. Unless otherwise mutually agreed to by the Parties, any controversies between Contractor and City regarding the construction or application of this Agreement, and claims arising out of this Agreement or its breach, shall be submitted to mediation within thirty (30) days of the written request of one Party after the service of that request on the other



Party.

- B. The Parties may agree on one mediator. If they cannot agree on one mediator, the Party demanding mediation shall request the Superior Court of Santa Clara County to appoint a mediator. The mediation meeting shall not exceed one day (eight (8) hours). The Parties may agree to extend the time allowed for mediation under this Agreement.
- C. The costs of mediation shall be borne by the Parties equally.
- D. For any contract dispute, mediation under this section is a condition precedent to filing an action in any court. In the event of mediation which arises out of any dispute related to this Agreement, the Parties shall each pay their respective attorney's fees, expert witness costs and cost of suit through mediation only. If mediation does not resolve the dispute, the Parties agree that the matter shall be litigated in a court of law, and not subject to the arbitration provisions of the Public Contracts Code.

### 32. COMPLIANCE WITH ETHICAL STANDARDS.

### Contractor shall:

- A. Read Exhibit D, entitled "ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA"; and,
- B. Execute Exhibit E, entitled "AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS."

### 33. AFFORDABLE CARE ACT OBLIGATIONS

To the extent Contractor is obligated to provide health insurance coverage to its employees pursuant to the Affordable Care Act ("Act") and/or any other similar federal or state law, Contractor warrants that it is meeting its obligations under the Act and will fully indemnify and hold harmless City for any penalties, fines, adverse rulings, or tax payments associated with Contractor's responsibilities under the Act.

### 34. RETENTION.

As set forth in Exhibit B, City will pay Contractor on its invoice(s) an amount equal to 90 percent (90%) of the amount otherwise due to Contractor, and City shall withhold the remaining 10 percent (10%) as retention. When City determines that Contractor has satisfactorily completed the Services, City shall give Contractor written Notice of Final Acceptance; within thirty (30) days after issuance of said Notice of Final Acceptance, City shall release to Contractor the amounts held in retention. In the event of a good faith dispute between City and Contractor as to satisfactory completion of the Services, City



shall continue to hold the retained funds in a segregated account until such time as the dispute is resolved, whether by means of formalized settlement or adjudication. Funds held in retention may be used to offset monies otherwise due to City by Contractor.

### 35. CONFLICT OF INTERESTS.

This Agreement does not prevent either Party from entering into similar agreements with other parties. To prevent a conflict of interest, Contractor certifies that to the best of its knowledge, no City officer, employee or authorized representative has any financial interest in the business of Contractor and that no person associated with Contractor has any interest, direct or indirect, which could conflict with the faithful performance of this Agreement. Contractor is familiar with the provisions of California Government Code Section 87100 and following, and certifies that it does not know of any facts which would violate these code provisions. Contractor will advise City if a conflict arises.

### 36. PROGRESS SCHEDULE.

The Progress Schedule will be as set forth in the attached Exhibit F, entitled "MILESTONE SCHEDULE" if applicable.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which shall constitute one and the same instrument; and, the Parties agree that signatures on this Agreement, including those transmitted by facsimile, shall be sufficient to bind the Parties.

The Parties acknowledge and accept the terms and conditions of this Agreement as evidenced by the following signatures of their duly authorized representatives. The Effective Date is the date that the final signatory executes the Agreement. It is the intent of the Parties that this Agreement shall become operative on the Effective Date.



### CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

1

APPROVED AS TO FORM:

BRIAN DOYLE
Interim City Attorney

ATTEST:

ROD DIRIDON, JR. City Clerk Dated: 12/7/17

DEANNA J. SANTANA

City Manager

1500 Warburton Avenue Santa Clara, CA 95050

Telephone: (408) 615-2210

Fax:

(408) 241-6771

"CITY"

### NORTHSTAR UTILITIES SOLUTIONS

An Ontario corporation

Dated: Stryust 22,2

By

(Signature of Person executing the Agreement on behalf of

Contractor)

Name: Steve Morris

Title: VP, Sales and Marketing

Local Address: 1 Antares Dr., Suite 400, Ottawa, ON K2E 6C4

Email Address: smorris@harriscomputer.com

Telephone: 613-226-5511 extension 2157

"CONTRACTOR"



# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NORTHSTAR UTILITIES SOLUTIONS

### **EXHIBIT A**

### **SCOPE OF SERVICES**

The Services to be performed for the City by the Contractor under this Agreement are more fully described in the Contractor's proposals entitled:

- 1. "Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1; and
- 2. "Statement of Work, City of Santa Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1.



## Statement of Work

# City of Santa Clara

# NorthStar Version 6.4 Upgrade



Prepared for: City of Santa Clara, CA August 17, 2017 Version 2.1

SOW VALID UNTIL: November 17, 2017

### **Revision Control**

Document Title: City of Santa Clara - Harris NorthStar - Version 6.4 Upgrade SOW

**Author:** NorthStar Professional Services

File Reference: City Santa Clara - Harris NorthStar - Version 6.4 Upgrade SOW.Docx

Version	Date	Author	Details / Comments	
Version 1.0	2016-06-01	Mac Campbell	Initial version of the document.	
Version 1.1	2016-08-17	Mac Campbell	Addition of purge services, Utilization	
			Review & Core Automation Suite	
Version 1.2	2016-11-11	ML Whitehead	Condense project timeline & increase onsite	
			Consulting time.	
Version 1.3	2017-01-24	ML Whitehead	Removing MDM upgrade effort, adjusting AP	
			subscription terms & effort, reducing onsite time	
			& upgrade effort.	
Version 1.4	2017-04-06	ML Whitehead	Revisions as per Santa Clara feedback	
Version 1.5	2017-05-02	ML Whitehead	Revisions as per review with Santa Clara	
Version 1.6	2017-05-06	KV Cressman	Incorporate definition of success from City of Santa	
			Clara	
Version 1.7	2017-06-13	KV Cressman	Incorporate SC's comments regarding scope,	
			milestones and update technical items	
Version 1.8	2017-06-19	ML Whitehead	Updates as per June 16 <sup>th</sup> SOW review with SC Team	
Version 1.9	2017-06-28	KV Cressman	Updates from Santa Clara and inclusion of Santa Clara	
			T's & C's	
Version 2.0	2017-08-08	L Faulkner	Inclusion of Santa Clara's Terms and Conditions	
Version 2.1	2017-08-17	L. Faulkner	Change of Format. City Exhibit A and NS Sow moved	
			per Santa Clara's instruction. Milestone page	
			removed. Version # and dates updated.	



### 1 NORTHSTAR INTRODUCTION

The City of Santa Clara, here after referred to as "Santa Clara", requires an upgrade of their billing system from NorthStar version 6.3.1 to NorthStar version 6.4. NorthStar 6.3.1 and NorthStar 6.4 share the same core business logic and leverage the years of investment both Santa Clara and NorthStar have made in your current CIS/billing system.

The purpose of this document is to provide information on the features and value of NorthStar 6.4, along with the level of effort associated with the upgrade, for those customers upgrading from NorthStar 6.3.1.

### 1.1 Objective

This Statement of Work (SOW) defines the work to be performed by NorthStar, an unincorporated division of N. Harris Computer Corporation, for Santa Clara CIS NorthStar 6.3.1 to NorthStar 6.4 upgrade, and concurrently upgrading CustomerConnect to Maintenance Release 5.1 in addition to implementing the NorthStar Core Automation Suite.

This SOW includes a high level timeline, fees, and other terms and conditions specific to the services requested by Santa Clara. Any additional requests for services that are not defined within this SOW will result in change orders with applicable fees.



### 2 Service Description

### 2.1 Project Approach

A NorthStar Project Manager (PM) will be the primary point of contact for Santa Clara on the NorthStar project. The PM has the overall accountability to successfully deliver the services required for a successful implementation within agreed upon timeframe and budget. The project team will directly report to the PM and the PM will have the authority and support to manage the NorthStar project team in the best interest of the project. The PM is also accountable for the following high-level project activities:

- Interface with Santa Clara assigned PM.
- Conduct regular internal project meetings to ensure that all aspects of the project are understood by the team and that progress and risks are properly reported.
- Conduct regular project meetings with Santa Clara.
- Review of project status, schedule, risks, resources as well as any other issues that may affect the success the project.

The NorthStar Implementation Methodology that will be leveraged for this engagement consists of 2 main areas: **Project Management** and **Upgrade Management** where each has associated (where applicable):

- Processes / Checklists / Matrices that define how to operate;
- Deliverables that are formal outputs that require City of Santa Clara sign-off;
- Work Products that are outputs produced as part of the work required to achieve the desired engagement goals; and
- Tools / Assets that are leveraged to produce defined outputs.

The **Project Management** area defines how Engagements are managed. It includes:

- **Communication/Status Management** aimed at establishing internal and external communications as well as monitoring and communicating engagement status and effort spent;
- Escalation Matrix:

### Level 1:

NorthStar Project Manager TBD

### Level 2:

Vice President, Professional Services Brad Robeson <u>brobeson@northstarutilities.com</u> 888 847 7747 ext. 2171

### Level 3:

Executive Vice President, NorthStar
Patrick Shaughnessy
pshaughnessy@northstarutilities.com 888 847 7747 ext. 2151

NORTH|STAR™
UTILITIES SOLUTIONS

- Relationship Management aimed at measuring the pulse of Customers and partners;
- Work Management aimed at capturing and monitoring effort, cost and work to be performed;
- Scope Management aimed at defining and controlling project scope;
- Risk Management aimed at planning, mitigating, tracking and monitoring risks;
- Deliverable/Acceptance Management aimed at ensuring that expected deliverables are delivered and accepted; and
- Financial/Contract Management aimed at monitoring project financial health.

NorthStar proposes two (2) site visits by the NorthStar Project Manager throughout the NorthStar 6.4 upgrade/ Automation Platform Core Suites implementation project. The first site visit will be at Project Kick Off. The second site visit will be at Go LIVE Rehearsal.



### 3 AREAS WITHIN SCOPE

### 3.1 Utilization Review

The objective of the Utilization Review is to assess the City's current business processes, custom modifications and interfaces developed for the City, and identify areas where process change, reporting, automation, new add-ons or integrations could be implemented to maximize both software and resource utilization. This session will involve power users and/or managers working through the identified processes and documenting opportunities for improvement.

During a 5 day onsite review the NorthStar Business Consultant will work with Subject Matter Experts (SME) from each functional area reviewing current resourcing, responsibilities and business processes. Each will be documented and discussed in detail to allow for further evaluation and efficiency improvement recommendation. Efficiency recommendations may come in the form of process improvement, automation, configuration, report development, integration or application development or task reallocation between functional areas.

### 3.1.1 Utilization Review Documentation

The NorthStar Business Consultant will document discussions held during the 5 day onsite session. Upon completion of the onsite the Business Consultant will prepare a Utilization Review document detailing recommended process improvements and potential automation opportunities. Recommendations are fully documented under each functional area, and an Executive Summary is provided which serves to identify the items which will have the greatest value for the City. Results and recommendations of the Utilization Review will be provided to the City in a timely manner as mutually agreed upon during the Utilization Review. Harris will not unreasonably delay providing those results.

### 3.1.2 Utilization Review Follow Up

Upon delivery of the Utilization Review document the NorthStar Business Consultant will conduct a follow up discussion to review the document and recommended changes with the City. The Consultant will assist in determining what changes the City will implement and discuss all timelines around such implementation. NorthStar will provide estimates for any associated implementation services such as; additional training, additional automation programming, modification and integration development, report development and configuration assistance.

Recommended business process changes will not be implemented as part of this statement of work. If Santa Clara chooses to move forward with implementing any of the recommendations, a change order will be issued to assess the increase in effort, scope, duration, schedule impact, and pricing, as applicable.

### 3.2 Data Purging



Santa Clara will proceed with purging data on their NorthStar 6.3.1 SQL database in preparation for their upgrade to NorthStar 6.4.

### 3.2.1 Purge Process

- Install the standard purge scripts NorthStar has developed for SQL Server.
- Run the purge scripts against the NorthStar TEST instance Provide Santa Clara with pre and post purge reports for validation purposes.
- Provide testing support during Customer validation of data purge.
- Upon Customer approval run the purge scripts against NorthStar production.
- Create User documentation to allow Santa Clara to execute the purge process on an as needed basis.

### 3.2.2 User Acceptance Testing

• Upon completion of the initial purge processes in NorthStar TEST, Santa Clara will have 30 business days for acceptance testing, during which time issues reported within the 30 days will be resolved at no charge provided they are part of the original scope of work. At that time the purge processes will be executed in the production environment on agreement from Santa Clara. NorthStar will not unreasonably delay testing. NorthStar and the City will review any time lost and mutually agree to a resolution. If the testing period extends past 30 business days, there will be an additional charge to execute the purge scripts in production unless a prior arrangement or extension has been agreed upon.

### 3.2.3 Engagement Completion Criteria

- The purge implementation is deemed completed and accepted if the following criteria is met:
  - The purge processes are completed within the production environment upon Santa Clara's approval.
  - o 30 business days have elapsed from completion of the purge process in Santa Clara's LIVE environment.
  - There are no mutually agreed upon outstanding critical issues.
  - o 9.2 See Appendix B for details (Page 29)

### 3.3 NorthStar 6.4 Upgrade

All upgrade activities to be performed remotely, unless otherwise requested.

The scope of this statement of work is to upgrade Santa Clara's CIS NorthStar 6.3.1 to NorthStar 6.4.

Current integration/interfaces points that will be ported to the NorthStar 6.4 environment are:

- Itron Meter Reading System
- PeopleSoft FHRMS Financial System
- Infosend Bill Print



- Shoretel ECC Customer Contact Center
- Siemens MDMS
- Bank of America Home Banking
- NorthStar eCARe Web Portal
- NorthStar Executive Information System
- NorthStar mCARe Paperless
- · Bank Up Remittance Processing
- My Utilities Account or Harris NorthStar Customer Connect suite.
- NorthStar Reports Anywhere
- Metaviewer
- Meter Exchange
- PAP (BOA)
- ACC
- Cybersource
- Net Metering & Net Metering Phase 2 including credit control.
- Cybersecurity updates
- Summary Billing (if in place).

### Hardware:

Epson 6000 III & IV printers.

### **PCI Compliance:**

Screen Audit and Form Audit screens within NorthStar 6.4 do not, at any point, store or display sensitive data; ex: credit card numbers in clear text as it did in version 6.3.1.

### CustomerConnect MR 5.1 Update:

Santa Clara's CustomerConnect will be updated to CC MR5.1 as part of the NorthStar 6.4 upgrade project. Testing of the maintenance release will be incorporated into the upgrade test plan and Go LIVE cut over activities. See Appendix B below for list of Santa Clara enhancements ported to MR5.1.

### 3.3.1 NorthStar 6.4 Upgrade & CustomerConnect MR5.1 Update Preparation

- Perform a review of Santa Clara's custom modifications and integration to ensure all applicable code has been merged into NorthStar 6.4.
- Work with Santa Clara to develop a site-specific test scripts for User and System Acceptance testing.
- Upon completion of the NorthStar 6.4 installation and CustomerConnect update perform internal validation testing on the new instance to ensure it is ready for training and testing. NorthStar be



testing core functionality. Santa Clara-specific processes will be tested as part of the System and User Acceptance testing phases.

### 3.3.2 NorthStar 6.4 Installation & Add Ons Migration

- Prior to creating the NorthStar 6.4 TEST environment NorthStar will provide a detailed installation checklist; configuration changes, tasks needed to be done, processes to be run, patches to be applied, etc.
- Install NorthStar 6.4 application and database on new TEST server(s).
- o Upgrade NorthStar database from 6.3.1 to 6.4 (will be on new 2012 DB server)
- Migrate, eCARe, mCARe, Meter Exchange, EIS and Reports Anywhere to TEST new server(s) and redirect to the NorthStar 6.4 TEST instance.
- Install NorthStar Navs and configure access to the NorthStar Add Ons TEST servers where applicable.
- Update CustomerConnect TEST to MR5.1 and point to NorthStar 6.4 TEST
- o Deploy Core Suite workflow templates to Santa Clara's NorthStar TEST environment.
- Provide a detailed checklist of all steps to deployment.
- o Review the AP Workflow Implementation Checklist with the Santa Clara Team.
- Santa Clara will have two weeks to review and revise the Implementation Checklist as required.
- Configure each automated process based on Santa Clara's Implementation Checklist.

### 3.3.3 NorthStar Payeezy Integration

- NorthStar will develop an integration with Bank of America Payeezy software that will allow all credit
  card encrypted numbers to be tokenized. This will then be used in the NorthStar PAP File Create
  process which will result in the file being created with no credit card numbers in clear text
- NorthStar will obtain tokens from Payeezy to map to existing pre-authorized accounts within the NorthStar database.



- NorthStar will utilize the Payeezy API to automatically obtain tokens through new pre-authorized registration from within NorthStar or CustomerConnect.
- NorthStar will modify the PAP File Create process to create the file with tokens instead of credit card numbers.
- Process documentation to be provided as a project deliverable.
  - 3.3.4 NorthStar 6.4 Training Provided

### **NorthStar Product Orientation Session:**

The Product Orientation session is held, via WebEx sessions, with the Core user group as the first stage of the setup portion of the upgrade implementation project. The objective of the orientation session is to introduce the users that have been working on the NorthStar 6.3.1 software to the new version of the product, NorthStar 6.4. There will be time spent on initiation to the navigation of the application, as well as reviewing the business processes specific to the City.

### **End User Training:**

Santa Clara is using a train the trainer approach for the NorthStar 6.4 upgrade. As such, Santa Clara's Subject Matter Experts are expected to provide any End User training on the product as required.

- 3.3.5 NorthStar 6.4 & CustomerConnect System Acceptance Testing (SAT)
- NorthStar will work with Santa Clara to develop a site-specific upgrade test script for System Acceptance testing. Upon completion of testing Santa Clara will submit a signed copy of the SAT script confirming all areas of NorthStar 6.4 and CustomerConnect MR5.1 have been successfully reviewed as a prerequisite for NorthStar to schedule the User Acceptance testing activities.
  - The following criteria will be used to evaluate whether the upgrade has been successful.
    - 1. A check of row counts and balances will be done for example a count of rows in each table in the source and target can be compared considering any expected differences. Certain reports can be run in each environment to help ensure all records have been migrated.
    - 2. Basic testing of the environment performed by the City's SME's to check all major functionality
      - a. Can we see expected data in the screens of each module
      - b. Run major programs/ reports in each module
    - 3. Check customizations are in place
    - 4. Check all interfaces/integrations
    - 5. Review all key values



- 6. The refresh was done according to checklist without any major deviations.
- This testing is not intended to be major system testing, but quick verification to make sure all major components are in place.
- o Review the findings after the verification and if there are major issues with the refresh critical components not included in the checklist make the decision to run the refresh again. This should not be counted as an additional refresh. A NorthStar Application Consultant will provide one week of onsite assistance during System Acceptance testing. Santa Clara will have four weeks to complete the initial round of System Acceptance Testing. NorthStar will have two weeks of remediation for all priority 1 issues. Santa Clara will then have two weeks of remediation testing prior to scheduling User Acceptance testing and End User training activities. Note that any delays caused by NorthStar will not be included in the 6 week SAT testing window.
- o There should be no outstanding critical issues, as mutually agreed upon, upon complete of SAT.
- o For Automation Platform provide System Acceptance testing support up to a maximum of 14 hours. If Santa Clara needs to extend the testing efforts, NorthStar will provide a change order for the extended testing services. Note that any delays caused by NorthStar will not be included in the UAT testing window. ▲
- Workflows will be provided for testing in an iterative manner, as configuration is completed. Santa Clara will have 2 business days, per workflow, to complete testing.
- Once all SAT has been completed NorthStar will have 10 days to execute any configuration changes required.
- If a project delay is encountered due to external factors outside of NorthStar's control, and System Acceptance Testing needs to extend beyond the initial four week and subsequent two week windows for SAT remediation testing NorthStar and Santa Clara will analyze the results of this external factor on the project timeline to determine if there is a need for a change request to reflect a substantial change to the project plan, budget, or timeline.
  - 3.3.6 NorthStar 6.4 & CustomerConnect User Acceptance Testing (UAT)
- NorthStar will work with Santa Clara to develop a site-specific upgrade test script for User Acceptance testing. Upon completion of testing Santa Clara will submit a signed copy of the UAT script confirming all areas of NorthStar 6.4 and CustomerConnect MR5.1 have been successfully reviewed as a prerequisite for scheduling Go Live activities.



- A NorthStar Application Consultant will provide 1 week of onsite assistance during User Acceptance testing Santa Clara will have four weeks to complete the initial round of User Acceptance Testing. NorthStar will have two weeks of remediation for all priority 1 issues. Santa Clara will then have two weeks of remediation testing prior to scheduling End User Training and Go LIVE. Note that any delays caused by NorthStar will not be included in the 6 week UAT testing window.
- Upon completion of User Acceptance testing of all applicable workflows NorthStar will redeploy all workflows to NorthStar To Be Live environment.
- For Automation Platform, provide a detailed checklist of all steps to deployment.
- Upon completion of User Acceptance testing of all applicable workflows NorthStar will redeploy all workflows to NorthStar To Be Live environment.
- Export configured rules from NorthStar TEST and import to NorthStar To Be Live environment.
- Perform internal sanity testing on deployment and configuration from NorthStar TEST to *To Be Live* environment.
- Santa Clara will have 2 days, per workflow, to complete User Acceptance testing.
- o If a project delay is encountered due to external factors outside of NorthStar's control, and User Acceptance Testing needs to extend beyond the initial four week and subsequent two week windows for UAT remediation testing NorthStar and Santa Clara will analyze the results of this external factor on the project timeline to determine if there is a need for a change request to reflect a substantial change to the project plan, budget, or timeline.

#### 3.3.7 NorthStar 6.4 Data Refreshes

- NorthStar will perform four successful data refreshes throughout the 6.4 upgrade and CustomerConnect update project:
  - Initial data refresh will be included with the installation of NorthStar 6.4 and update of CustomerConnect for SAT.
  - Second data refresh will be performed upon completion of SAT, in preparation for UAT.
  - Third data refresh will be performed as part of the Go LIVE rehearsal and End User training.
  - Final data refresh will be performed upon Go LIVE cutover. Any requests for additional data refreshes will be considered at an additional cost/schedule impact to the project.
- A detailed checklist will be created by NorthStar and the City, to include all tasks needed to accomplish the data refresh/database upgrade. This checklist will be monitored for errors and



updated by NorthStar as required. Criteria will be developed for what is a successful data refresh (i.e. no errors when accessing the system, all components work successfully, all customizations in place.

#### 3.3.8 NorthStar 6.4 Go LIVE Rehearsal

- Produce a full checklist of all activities to upgrade NorthStar and update CustomerConnect, with dependencies and training.
- o Install NorthStar 6.4 application on *To Be* LIVE environment.
- O Upgrade database from 6.3.1 to 6.4.
- o Migrate, eCARe, mCARe, Meter Exchange, EIS and Reports Anywhere to new *To Be Live* server(s) and redirect to the NorthStar 6.4 To Be LIVE instance.
- o Refresh CustomerConnect TEST from production and walk through checklist to update to MR5.1.
- Provide a detailed checklist of all steps to deployment of AP workflows.
- Upon completion of System Acceptance testing deploy Core Suite workflow templates to Santa Clara's NorthStar To Be LIVE environment environment.
- o Export configured rules from NorthStar TEST and import to NorthStar To Be LIVE environment.
- Perform internal sanity testing on deployment and configuration from NorthStar TEST to To Be LIVE instance.

#### 3.3.9 NorthStar 6.4 & CustomerConnect Go LIVE Cut Over

- Produce an updated full checklist of all activities with dependencies and expected things
- Upgrade Production database from 6.3.1 to 6.4.
- Update CustomerConnect production to MR5.1 and redirect to NorthStar 6.4 LIVE.

#### 3.3.10 NorthStar 6.4 & CustomerConnect Post LIVE

 Provide dedicated post LIVE support for forty five business days prior to transition back to NorthStar Support Services.



- Refresh NorthStar TEST database from Production.
- Create NorthStar 6.4 DEV environment.
  - o Install NorthStar 6.4 application on DEV environment.
  - o Install NorthStar Navs and configure access to the NorthStar Add Ons DEV servers where applicable.
  - Upon creation of 6.4 DEV environment redeploy all workflows from NorthStar TEST environment.
  - Perform internal sanity testing on deployment and configuration from NorthStar TEST to NorthStar DEV.
- o Migrate, eCARe, mCARe, Meter Exchange, EIS and Reports Anywhere to new DEV server(s) and redirect to the NorthStar 6.4 DEV instance.
- Update CustomerConnect DEV to MR5.1 and redirect to NorthStar 6.4 DEV.

#### 3.3.11 Santa Clara Responsibilities

Following are the key responsibilities of Santa Clara under this agreement:

- 1. Manage the project overall.
- 2. Ensuring NorthStar has direct, dedicated remote technical connection capabilities with administration access to any non-production server that the NorthStar applications reside on for the duration of the upgrade project.
- 3. Santa Clara cannot allow access to the working production system during business hours except to view and even then by arrangement. Changes to the production environment will go through change control. NorthStar will abide by the City's change processes.
- 4. Ensuring that underlying infrastructure for NorthStar 6.4 is acquired and installed by the required time per agreed upon project plan (Note: Minimum specifications for servers and workstations should be discussed and agreed upon at commencement of project).
- 5. Installing server(s) with appropriate network connectivity.
- 6. Installing operating system and partitioning disk space.
- 7. Installing database software.
- 8. Installing NorthStar 6.3.1 database for all 4 data refreshes.
- 9. Creating users at the operating system level.
- 10. Configuring peripheral devices (printers, scanners, cash drawers, etc.).
- 11. Installing VPN connection.
- 12. Configuring back up and maintenance routines for new database.
- 13. Installing Java 8 on Client workstations.



- 14. Testing hardware components and environment.
- 15. Securing of the communication between NorthStar and the Payeezy API; Payeezy and Santa Clara will chose a security methodology conbsistent with their requirements and policies. It is understood that they require security that is in line with TLS 1.2. NorthStar will be calling their API and it is the Santa Clara's responsibility to advise NorthStar how to connect securely.
- 16. Conducting upgrade testing, including integration and interface testing.
- 17. Conducting User Acceptance testing.
- 18. Conducting with End User Training.
- 19. Leading Go LIVE activities

#### 3.3.12 Engagement Completion Criteria

#### NorthStar 6.4 Upgrade & Customer Connect Update

The Upgrade Engagement is deemed completed once upgraded application has been deployed to the live environment for forty five business days and that any Priority 1 items raised during that period have been resolved. NorthStar has the exclusive right to classify call types according the definitions below.

Call Type	Definition
Priority 1 – Urgent or High Priority	<ul> <li>System Down (Software Application, Hardware, Operating System, Database)</li> <li>Impacts Critical Business Function without a workaround</li> <li>Performance issues of severe nature impacting critical processes.</li> </ul>
Priority 2 – Medium Priority	<ul> <li>System errors that have workarounds</li> <li>Impact to business function is not critical:         <ul> <li>Performance issues not impacting critical processes</li> <li>Usability issues</li> <li>Workstation connectivity issues (Workstation specific)</li> </ul> </li> <li>Minimal or no impact to critical business function</li> </ul>
Priority 3 – Low Priority	<ul> <li>Report formatting issues</li> <li>Training questions, how to, or implementing new processes</li> <li>Aesthetic issues</li> <li>Issues with workarounds for large majority of accounts</li> <li>Recommendations for enhancements on system changes</li> <li>Questions on documentation</li> </ul>

#### 3.4 Areas Out of Scope

Anything in this section and not listed in the above "Areas within Scope" is considered out of scope for this SOW. Specific items that are currently out of scope of this engagement include:

Business Process Review,



- Additional User training if required above End-User training.
- Post Live NorthStar Refresher training if deemed required following Go LIVE.
- Migrating automated scheduled tasks scripts generated by City of Santa Clara
- Automation Platform User training on the NorthStar workflow editor
- Customized rules or workflows
- Rules development of workflow bundles not considered within the Core Automation Suite



#### 4 ESTIMATED TIMELINE

The estimated duration of this engagement is approximately five months. The assumption is that the Purge project, Utilization Review project, NorthStar 6.4 Upgrade project and Core Automation Suite project will kick off simultaneously. In order to accommodate this approach Santa Clara will assign Project Leads for each engagement, and each Lead will have experience in the day-to-day operations and will work closely with the NorthStar Consultants to resolve issues as required. Adherence to the project plan and timeline is critical. NorthStar will prepare a formal project plan and timeline upon acceptance of this statement of work. Santa Clara will review, provide comments on, and provide NorthStar with approval of the project plan and timeline. See Appendix B below for sample Implementation Project Plan.

There are a number of factors to be considered that will have an associated un-planned increase in effort and will therefore impact the project schedule. These factors are typically not determined until project kick-off and will be a key input into the final Go LIVE date and may result in additional cost. NorthStar will notify Santa Clara of any increase in effort and will provide Santa Clara with a Change Order according to section 5 Change Management Process. These factors include:

- Data:
  - Data clean-up (if required) by Santa Clara.
  - Amount of data consideration needs to be given to the amount of historical data required and how long it will take to obtain the data.
- Peripherals:
  - An increase or replacement of equipment with the upgrade (i.e. cash drawer).



#### 5 CHANGE MANAGEMENT PROCESS

NorthStar will maintain the SOW with formal documentation denoting agreed upon changes. Santa Clara and NorthStar may propose changes to this SOW addressing services falling outside the scope of services described in this SOW ("Change"). The Change Order form must be used for all change requests. NorthStar shall have no obligation to commence work in connection with any change until the fee and schedule impact of the change is agreed upon in a written Change Order form signed by the designated representatives from both parties.

Upon identifying the need for a change, NorthStar shall submit the change on our standard Change Order form describing the change, including the impact of the change on the schedule, fees and expenses.

Within 5 consecutive business days of receipt of the change order form, Santa Clara shall either indicate acceptance or rejection of the proposed change by signing the Change Order form or any other period of time mutually agreed to by the parties. If NorthStar is advised not to perform the change, then NorthStar shall proceed only with the original services. In the absence of Santa Clara acceptance or rejection of the Change Order, NorthStar will not perform the proposed change.

With respect to any proposed changes to the Services defined by this Agreement that do not materially impact the scope of either party's work effort required under this Agreement, the parties will cooperate in good faith to execute Change Orders in respect thereof, and will not unreasonably withhold approval of such proposed changes. If either party causes or requests a change that, in the reasonable opinion of the other party, materially impacts the scope of the parties' work effort required under this Agreement, such as, but not limited to, changes in the allocation of the resources of the Organization and of Harris applied to a task, changes in completion schedules for individual tasks or for overall implementation, and changes in staffing that require a party to provide additional work hours, the other party may propose a change to cover the additional work effort required of it. Approval of any such proposed changes will not be unreasonably withheld (it being acknowledged that any such material changes may require modifications to the consideration paid, and timelines governing, the Services), and any disputes regarding changes shall be handled initially by discussions between the parties which will be convened in good faith by the parties to resolve any such matters in dispute. Organization shall not be charged for any delays to the project schedule or changes in effort for delays that are attributable solely to the actions or inactions of NorthStar. Where delays are caused by both parties, any additional costs shall be shared in proportion to each party's contribution to the cost of those delays. A sample change order is presented in Appendix "C"



## **6** FEES & PAYMENT SCHEDULE

## 6.1 Fees

•	Estimated Effort (Hours)	Hourly Rate	Total
Project Management	270	\$200	\$54,000
Utilization Review Session	40	\$200	\$8,000
Utilization Review Documentation	32	\$200	\$6,400
Utilization Review Follow Up	8	\$200	\$1,600
Create Install Purge Scripts	2	\$200	\$400
Execute Purge Script (TEST)	6	\$200	\$1,200
Purge Validation Testing Support	7	\$200	\$1,400
Execute Purge Scripts (production)*	5	\$300	\$1,500
Upgrade Preparation	24	\$200	\$4,800
NorthStar 6.4 Installation	40	\$200	\$8,000
NorthStar Add Ons Installation	20	\$200	\$4,000
Payeezy Integration Development	96	\$200	\$19,200
Payeezy Integration Validation Testing	18	\$200	\$3,600
NorthStar Internal Validation Testing	24	\$200	\$4,800
NorthStar 6.4 Product Orientation Training	12	\$200	\$2,400
User Acceptance Testing Support (Onsite & Remote)		\$200	\$28,000
System Acceptance Testing Support (Onsite & Remote)		\$200	\$20,000
Go LIVE Rehearsal	40	\$200	\$8,000
Go LIVE Cut Over*	36	\$300	\$10,800
Upgrade Post LIVE Support	80	\$200	\$16,000
AP Core Suite Implementation	75	\$200	\$15,000
5% Technology, Administration& Communication Fee			\$10,955
Project Total	1075		\$230,055

\*As this work must be performed over a weekend an after-hours premium applies to this service

#### 6.2 Payment Schedule

Any mutually agreed upon change controls will be billed at \$200/hour when incurred. An additional amount equal of 5% of the total fees billed has been included in the fee charged to cover technology, communication and administrative costs. Price excludes any applicable taxes.

The NorthStar fees for the scope of services described in this Statement of Work, including the 5% technology, communication and administrative fee, is \$230,055 USD based on fixed price plus any travel and logistics (T&L) which may be required.

#### Milestones & Payment Schedule

- 1. Contract signing 35%, \$80,519.25
- 2. Base solution installed within Santa Clara's non-production environment, 15%, \$34,508.25
- 3. Completion of purge process within production environment, 10%, \$23,005.50
- 4. User Acceptance Testing sign off received, 15%, \$34,508.25
- 5. NorthStar 6.4 Go LIVE cut over, 15%, \$34,508.25
- 6. Upgrade Project Acceptance (45 days post go live), 10%, \$23,005.50
- 7. This is expressly subject to section 34 of the Agreement entitled "Retention."

Invoices are payable upon receipt.

Quote is valid for 60 days from date of delivery. After 60 days the quote will be considered expired and would need to be reassessed and re-quoted if still required.

#### 6.3 Travel & Living Expenses

The above mentioned fees do not include any travel and per diem expenses incurred for on-site visits required for this engagement. NorthStar will adhere to the City's travel policies. All travel to be approved prior to booking. NorthStar estimates five site visits during this implementation:

- Project Kick Off with NorthStar PM (5 days), as per section 3.1 Project Approach
- Utilization Review Session with Application Consultant (5 days), as per section 3.2. *Areas Within Scope*
- NorthStar 6.4 Upgrade User Acceptance Testing with Application Consultant (5 days), as per section 3.2. Areas Within Scope
- NorthStar 6.4 System Acceptance Testing with Application Consultant (5 days), as per section 3.2. Areas Within Scope
- Go LIVE Rehearsal with NorthStar PM (5 days), as per section 3.1 Project Approach



## 7 TERMINATION

Unless NorthStar and/or the City of Santa Clara exercises its right to terminate this SOW due to material breach or default, NorthStar must provide, and Santa Clara must purchase, services from NorthStar for the items defined within this SOW.

If Santa Clara and/or NorthStar exercises its right to terminate this SOW due to material breach or default, or Santa Clara and/or NorthStar terminates this SOW without cause,

Santa Clara's obligation includes the following:

- 1. Provide notice of 10 business days for termination without cause;
- 2. Return the software to NorthStar and certify, under the hand of a duly authorized officer of the Organization, that all copies of the software or any part thereof, in any form, within the possession or control of the Organization have been returned to NorthStar. (if applicable)
- 3. Complete payment for services performed and expenses incurred prior to termination including:
  - a. Any amounts previously invoiced but unpaid;
  - b. Fees for services performed through the termination date which has not been invoiced; and
  - c. Any approved travel and living costs.

NorthStar's obligation includes the following:

- 1. Provide notice of 10 business days for termination without cause;
- 2. Refund to Santa Clara any fees that have not been earned under this SOW through the termination date.

Under no circumstances shall NorthStar be liable for any special, indirect, consequential, punitive or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work, even if NorthStar has been advised of the possibility of such damages. In any event, NorthStar shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by NorthStar under this statement of work.



#### 8 Project Assumptions

The services, fees and delivery schedule for this engagement are based upon the following assumptions:

#### 8.1 General Assumptions:

- Any items not explicitly identified within this document are considered out of scope. Any changes to those responsibilities and/or deliverables will be considered a change in scope for the engagement. Any proposed change to the engagement scope must be put into written format and be submitted to NorthStar during this engagement for review and consideration.
- This engagement currently has, and will continue to have, the support of senior Santa Clara management and will be assigned sufficient priority with respect to other projects to ensure its success.
- Santa Clara will assign a Lead to act as an internal resource and guide throughout this engagement.
- Santa Clara will secure the appropriate staff in a timely fashion in order to discuss or review the various materials produced when required. It is expected that the individuals involved will have experience in Santa Clara's day-to-day operations and will work closely with the NorthStar Consultants to resolve issues as required. The main purpose of this interaction is to provide a quick and consistent response to procedural issues.
- Santa Clara will provide access and support from the IT group and any other stakeholder, as deemed necessary by NorthStar throughout this engagement.
- Santa Clara agrees to facilitate any required corporate logistics for the fulfillment of this agreement.
- Santa Clara will provide the appropriate remote access to its network, facilities, and systems as may
  be required to perform activities from one of NorthStar's locations. NorthStar shall abide by all rules
  and directions of Santa Clara when accessing the Santa Clara's network, facilities or systems.
- Santa Clara to ensure the appropriate staff are available to work with the NorthStar resources while
  onsite for the Utilization Review. It is expected that the individuals identified will have experience
  in the day-to-day operations and will work closely with the Consultants to resolve issues, requests
  or questions as required.



- NorthStar will not change staffing without consulting Santa Clara.
- Should Santa Clara have concerns with regards to any of the NorthStar resources assigned to their
  engagement they will advise the NorthStar VP of Professional Services, who will work with them
  to mutually resolve staffing concerns
- Santa Clara can request key NorthStar resources to be assigned to their engagement and NorthStar will take these requests into consideration when resourcing the Santa Clara project.
- Santa Clara will provide a training room complete with workstations for their staff for the NorthStar
  onsite activity. This is to allow the NorthStar Consultant and Santa Clara Team members to focus
  on the implementation activity without any external interruptions.
- All documentation provided by Santa Clara shall be up-to-date and accurate or if that is not the case, advise NorthStar as such.
- All hardware, software, and network components supplied by Santa Clara are working properly and are free of defects and will meet minimum hardware standards provided during the engagement.
- All third-party software and hardware products are assumed to perform correctly in Santa Clara's environment, in accordance with the appropriate third-party vendor's specifications.
- To minimize project costs, majority of project work will be performed at one of the NorthStar's locations. NorthStar will determine the project activities requiring performance onsite.
- Price does not include Santa Clara approved travel and living expenses that may be required as
  part of the delivery of the engagement. (i.e. air fare, car rental, gas, per diem and hotel) NorthStar
  will work with Santa Clara to identify most cost effective accommodations for Santa Clara's onsite
  activities that are mutually agreed upon.
- Any new NorthStar add-ons currently not within the North Star 6.3.1 environment will be considered at an additional cost and effort.

### 8.2 Purging Assumptions:

- NorthStar 6.3.1 LIVE, TEST & DEV 6.3.1 applications have identical code base and configurations.
- The Purge process for the LIVE instance will need to be run over a weekend to ensure there is no impact on in the production environment.
- Santa Clara will not perform any data refreshes of the NorthStar TEST system during the Purge validation testing phase. Should a data refresh be required there will be an additional charge for NorthStar to execute the purge scripts.

## 8.3 NorthStar 6.4 Upgrade Project Assumptions

• NorthStar LIVE, TEST & DEV instances are at the same release level. NorthStar MDM will require a code merge of the applicable MDM programs to the NorthStar 6.4 base code. MDM specific work, such as the code merge mentioned above, will be funded by the City's MDM project. The City agrees to pay for the code merge effort as part of their MDM project. MDM activity will not be part of the NorthStar 6.4 upgrade project, but will be scoped separately at a later date.



- Santa Clara data provided will be complete and clean. It is the responsibility of Santa Clara to clean
  data if deemed required due to the identification of inaccurate entries. However if there are issues
  in the 6.3.1 software that have allowed invalid data to be entered into system unknowingly to
  Santa Clara NorthStar will address these issues.
- All data refreshes will be performed during regular business hours, 8:00 a.m.-5:00 p.m. PST, with the exception of Live cut-over which will be performed over a weekend
- For the Payeezy integration development NorthStar NorthStar will have access to a functioning Payeezy API accessible from the NorthStar Development environment.
- Santa Clara has no special print handling requirements; ex: paper source, special commands, etc.

#### 8.4 NorthStar Core Automation Suite Project Assumptions

- The Core Automation suite consists of 19 workflows. NorthStar will configure up to a maximum of 30 business processes using the core 19, should multiple iterations of a workflow be required. If additional instances of a workflow are requested or required a change order will be provided by NorthStar.
- NorthStar Core Suite deployment, configuration and testing services will be completed remotely.
   NorthStar will make sure the version of 6.4 they install is appropriate for this complete SOW. As they are being developed simultaneously.
- Santa Clara resources will be available as required. It is expected that the individuals identified will
  have experience in the day-to-day operations and will work closely with the technical consultant to
  resolve implementation issues and answer checklist questions as required. The main purpose for
  this interaction is to provide a quick and consistent response to issues so that the technical
  consultant is not required to contact a large number of users. Any delays in the project due to Santa
  Clara's resource availability will be subject to a CO.
- Santa Clara's staff will perform acceptance testing as per the timelines provided in the project plan.
- If a project delay is encountered due to external factors outside of NorthStar's control, NorthStar and Santa Clara will analyze the results of this external factor on the project timeline to determine if there is a need for a Change Request to reflect a substantial change to the project plan, budget, or timeline.



# 9 APPENDIX A – NORTHSTAR 6.4 – TYPICAL HARDWARE RECOMMENDATIONS

Optimal Hardware	Optimal Software
NorthStar CIS 6.4 Application & Database Server  • Quad Xeon Processor (required)  • 2 x Quad Xeon Processor (recommended)  • 64GB Memory  • 1000GB 15K (minimum)  • 1000GB 15K SSD or SSHD (recommended)	NorthStar CIS 6.4 Application & Database Server  • Windows 2012 64 Bit  • Wildfly  • Java 8.0  • SQL Server 2012
NorthStar CIS Production Extension Server (Reports Anywhere, eDocs)  Dual Xeon Processor  16GB Memory  2 X 72GB 15K SAS Drives	NorthStar CIS Production Extension Server  • Windows 2012 Standard 64 bit
NorthStar CIS Production Extension Server (CustomerConnect)  • Dual Xeon Processor  • 32GB Memory  • 500GB 15K SAS Drives	Tourne season region has sectionally the concession of the Estational Park International
NorthStar CIS 6.4 Client Computer  • Quad Core CPU (Intel Core2, AMD Phenom)  • 40GB hard drive (orhigher)  • 4GB Memory (minimum)  • 8GB Memory (recommended)  • Minimal resolution: 1360 x 786	NorthStar CIS 6.4 Client Computer  Windows 10 (32 or 64)  Windows 7 (32 or 64)  JRE 6.0 or latest  Microsoft Office 365 or Pro Plus

## 10 APPENDIX B – SANTA CLARA CUSTOMER CONNECT MODIFICATIONS

Issue Type	Key	Summary
Enhancement	CCS-2241	Add HSTS support
Enhancement	CCS-2205	Create an audit trail of all emails sent out of CustomerConnect
Enhancement	CCS-2186	Generate temporary passwords so Admin/Csr's can assist customers in resetting passwords
Enhancement	CCS-2184	Replace 'X' as logoff
Enhancement	CCS-2183	Credit card expiration should not be a calendar
Enhancement	CCS-2181	Pre-populate customer info in one-time payment
Enhancement	CCS-2144	Provide a viewable audit trail for one-time payments
Enhancement	CCS-2095	Move in registration form note should be configurable
Enhancement	CCS-2091	Ability to mask account number and occupant code and not print user ID in emails
Enhancement	CCS-2015	Convert all text to uppercase when transferring to CIS
Enhancement	CCS-2013	Information Viewable when Transferring Service Orders
Enhancement	CCS-2009	Text on Create service order page should be configurable
Enhancement	CCS-1962	Customer portal links customizable
Enhancement	CCS-1951	Registered Move in: should be able to create a move in that does not generate a move out
Enhancement	CCS-1945	Hide bank name label
Enhancement	CCS-1941	Refine the look of the external move-in questionnaire form
Enhancement	CCS-1940	Have the ability to change the link label for 'Click Me'
Enhancement	CCS-1936	Search by email address in Search Service Orders in CustomerConnect returns no result
Enhancement	CCS-1884	Payments made through Cybersource do not send email receipt
Enhancement	CCS-1872	Add a custom note to explain the selected service order
Enhancement	CCS-1871	Provide support for iPad and other mobile devices.
Enhancement	CCS-1870	Notification alerts amount does not include a sum total from all services
Enhancement	CCS-1868	Print from print analyzer
Enhancement	CCS-1866	Allow for 'Payment Plan' tab name to be configurable



Enhancement	CCS-1857	Review and adjust Login form to enhance usability
Enhancement	CCS-1856	Auto-tab when entering the phone number, in between sets of numbers
Enhancement	CCS-1854	No reading history should show N/A instead of blank
Enhancement	CCS-1853	When NorthStar is not available, CustomerConnect should display a message
Enhancement	CCS-1852	Filter by Date Range Calendar month drop down
Enhancement	CCS-1851	Payment plan disclaimer should be different after signup
Enhancement	CCS-1849	Allow past due notices to also be displayed as one for all services
Enhancement	CCS-1838	CC - Need ability to disable CC footer (since we already have a marketing footer
Enhancement	CCS-1805	Various Issues on the bill pay screen
Enhancement	CCS-1804	Pay My Bill Screen Issues
Enhancement	CCS-1780	Various items for bill pay screen
Enhancement	CCS-1757	creating a service order - have a mouseover text over the '+' sign as an indication to create service order
Enhancement	CCS-1622	CustomerConnect should pull Stat holidays from Holidays when choosing a service date
Enhancement	CCS-1612	Make legacy user registration message configurable
Enhancement	CCS-1534	Need to provide integration to Cybersource for credit card processing



### 11 APPENDIX C – PURGE FOR SQL SERVER

#### **Objective**

The purpose of this document is to outline the steps for using the purge process developed for NorthStar SQL Server environments.

The purge process has been grouped into like lists of tables. Billing history, for example groups the balance history, cashiering history and journal history tables. When running the purge users can select as many or as few groups as they wish. An additional benefit of running by groups is that it allows the option of selecting different dates to be used for different groups. For example, billing history can by purged for '2008-12-31' and reading history can be purged for '2007-01-01'

Three stored procedures have been developed. They do not need to be run together and all three will operate separately. The first procedure is **sp\_PurgeData** that will allow the user to select which table grouping they wish to purge, a destination database and a purge date, then delete those tables from the source database (depending on which database the procedure is running) .. The user will tell the program which table grouping should be purged. More detail is given below in the examples. The third procedure, **sp\_PurgeFinals**, is to purge "finalled" accounts that have no balance and a zero balance on any deposits.

The five groupings are:

#### **Billing History**

```
pu balance hist
  pu balance his d
  puusgbld
  pu defer ard
  pucrscore
  pu misc bill
  pujhaccd
  pujhstat
  pujhmtrd
  pujhcrbd
pu_pay_arrangh
pu_pay_arrange
  ichrecpt
  ichtrand
  ichmiscd
  ichpaymd
  ichappld
  ichinvoice
```

#### Reading History



```
pu_elec_hist
pu_water_hist
pu_gas_hist
```

#### **Call History**

csrletrd csr\_acct-addr csr\_acct\_info csr\_contacts csraccount csraccount\_pay csracssah csrcalld csrcchgd csrcglref csrcmpld csrcustr csrhours csrletrh csrpypln csrsched csrstatd

#### **Comment History**

pu\_pcb\_comments

#### **Alerts**

tick\_list

#### **Audit Events History**

audit\_evnts

### **Purge Process**

The purge process has been broken out by module and allows the user to control which sets of tables are purged.

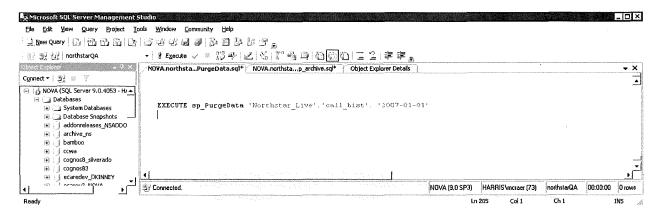
#### **Arguments:**

- 1. Database name
- 2. Table grouping, the names of the groups are as follows:

call\_hist
billing\_hist
reading\_hist
comment\_hist
audit\_events
ticklers

## NORTH|STAR™

#### 3. Purge date



In the example above all tables in the call history group will be purged on the NorthStar\_Live database prior or equal to 2007-01-01. You don't need to be running the procedure from the database where you are purging, as long as it is on the same server you are currently connected to.

#### **Purge Finalled Accounts**

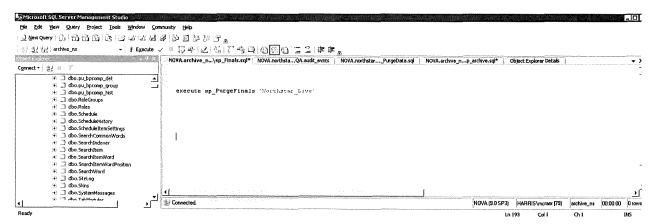
This stored procedure will delete all accounts, services and history from any accounts that meet **ALL** of the following criteria:

- 1. All services on the account are finalled
- 2. All services on the account have a zero balance
- 3. The account has a zero balance on deposits (if any)

For those accounts that pass the above tests the stored procedure will remove all history, deposit, payment plan, service and account information for that account, occupant combination.

This procedure should only be run after the above purge procedure has been run.

There is only one argument that needs to be passed in, the name of the database.



## 12 APPENDIX D – SAMPLE CHANGE ORDER

A signature below will serve as authorization to proceed with this quotation. Please sign and return this by fax to: 613-482-4874.

Approval (signature and date):



Change is	□ Approved	□ <b>Denied</b>	Date	
NorthStar Pro	ject Manager			
City of Santa	Clara Project Mana	ger		
City of Santa	Clara Approval			



## Statement of Work

## City of Santa Clara

## Core Automation Suite Subscription



Prepared for: City of Santa Clara, CA August 17, 2017 Version 2.1

SOW VALID UNTIL: November 17, 2017



#### **Revision Control**

Document Title: City of Santa Clara – Harris NorthStar – Core Automation Suite Subscription SOW

Author: NorthStar Professional Services

File Reference: City of Santa Clara - Harris NorthStar - Core Automation Suite Subscription SOW.Docx

Version	Date	Author	Details / Comments
Version	2016/02/09	Carrie Lawlor	Version 1
1.0			
Version	2016/06/13	Mary Lee	Edits as per Santa Clara review
1.1		Whitehead	
Version	2017/08/08	L Faulker	Inclusion of Terms and Conditions
1.2			
Version	2017-08-17	L. Faulkner	Change of Format. City Exhibit A and NS Sow
2.1			moved per Santa Clara's instruction. Milestone
			page removed. Version # and dates updated.



## 1 LICENSE - CORE AUTOMATION SUITE

#### 1.1.1 Grant of Licenses

- a. Subject to the terms and conditions herein, NorthStar hereby grants to Santa Clara a Corporate, non-exclusive, non-transferable and limited right and license to use the Software in object code format on the NorthStar CIS computer system (the "License") in consideration for the payment of the License fees. All Releases installed by Santa Clara are subject to this License. This License and the other terms and conditions related to this License do not apply to Third Party Software.
- b. Santa Clara may duplicate Documentation, at no additional charge, for Santa Clara's permitted uses so long as all required proprietary markings are retained on all duplicated copies.
- c. As between NorthStar and Santa Clara, NorthStar reserves all rights, title and interest in and to the Software not expressly granted herein and the License specifically excludes all such reserved rights, title and interest.
- d. Any Software furnished by NorthStar in machine-readable form may be copied in whole or in part by Santa Clara for use on the Designated Computer System, access to which by Users can be from any computer terminal, whether internal to or external to Santa Clara's facility incorporating the Designated Computer System. To the extent that any temporary files associated with the Software are created during such use on terminals those temporary files are permitted under this License but only for such time that the temporary files are actually required. Santa Clara agrees that the original copy of all Software furnished by NorthStar and all copies thereof made by Santa Clara are and at all times remain the sole property of NorthStar.
- e. Any License granted under this SOW permits Santa Clara to: (i) use the Software for its City billing and related purposes including, but not limited to, performing testing, disaster recovery, disaster testing, training, archival and backup as Santa Clara deems necessary, and (ii) use, copy and modify the Documentation for the purpose of creating and using training materials relating to the Software. Access to and use of the Software by independent contractors of Santa Clara shall be considered authorized use under this Section so long as any such independent contractors are bound by obligations of confidentiality and have been approved by NorthStar in advance of the independent contractors' access to the Software. Santa Clara shall be responsible for (i) all of the actions of and (ii) any misuse of the Software by any independent contractor.
- f. Software is licensed for use by the current number of NorthStar CIS users and on the current operations of Santa Clara. Any change in the number of users of NorthStar CIS or a material increase in the Santa Clara's business, such as through acquisition of another City, would require additional licensing.
- g. Santa Clara may purchase additional Software Licenses at the time such Licenses become necessary at NorthStar's then current prices and terms.



#### 1.1.2 Term of License

The Subscription license commences at completion of milestone 4, User Acceptance Testing sign off. The initial term of this SOW is 3 years and Santa Clara cannot terminate the subscription within the 3 year term. The Subscription may be renewed annually thereafter.

#### 1.1.3 Restrictions on Use

- a. Santa Clara shall not, and will not allow, direct or authorize (directly or indirectly) any other party to: (i) use the Software for any purpose other than in connection with Santa Clara's primary business or operations; (ii) disassemble, de-compile, reverse engineer, defeat license encryption mechanisms, or translate any part of the Software, or otherwise attempt to reconstruct or discover the source code of the Software except and only to the extent that applicable law expressly permits, despite this limitation; (iii) modify or create derivate works of the Software; (iv) rent, lease, lend, license, sell or use the Software for timesharing or bureau use or to publish or host the Software for others to use; or (v) take any actions that would cause the Software to become subject to any open source or quasi-open source license agreement. Santa Clara shall be wholly liable to NorthStar for any misuse of the Software and these restrictions are absolute except as and only to the extent that this SOW may expressly permit Santa Clara to do otherwise
- b. The Software and related materials supplied by NorthStar are protected by copyright and trademark laws. The Software is licensed and may not be resold by Santa Clara. Any rights not expressly granted herein are reserved. Santa Clara may not obscure, remove or otherwise alter any copyright, trademark or other proprietary notices from the Software and related materials supplied by NorthStar.

#### 1.1.4 Ownership of Software & Confidential Information

- a. Santa Clara acknowledges that the Software contains proprietary information and Confidential Information of NorthStar which shall, at all times, remain the property of NorthStar.
- b. Santa Clara will take the same care to safeguard the Software as it takes to safeguard its own Confidential Information of a like nature and such care shall not be any less than would be taken by a reasonable person to safeguard its own confidential information.
- c. In order to assist NorthStar with the protection of its proprietary information and Confidential Information and to enable NorthStar to ensure that Santa Clara is complying with its obligations, Santa Clara shall permit NorthStar to visit during normal business hours any premises at which the Software is used or installed and shall provide NorthStar with access to its Software. NorthStar shall provide Santa Clara with reasonable notice of any such audit.



## 1.1.5 Ownership & Disposition of Documents

b. All materials and documents which were developed or prepared by NorthStar for general use and which are not the copyright of any other party or publicly available, including educational materials, the Software and any other computer applications, shall continue to be the property of NorthStar. The parties agree that no materials or documents are being created for Santa Clara by NorthStar under this SOW as of the effective date.



#### 2 Core Automation Suites Workflow

#### **GL Archive Workflow**

NorthStar's GL Archive workflow is designed to run the full GL Archive process from Load and File Create
through to running the GL Report and Interface Posting Archive. The workflow can be scheduled to run at
night, eliminating the need to coordinate running the Archive process with resources performing live
activities. The integration file to the financial system is available automatically and users begin balancing
activities immediately upon open of day. Users can spend more time analyzing GL transactions rather than
waiting for them to process.

#### **AP Archive Workflow**

NorthStar's AP Archive workflow is designed to run the full AP Archive process from Load and File Create
through to running the AP Report and AP Archive. The workflow is scheduled to run at night, eliminating
the need to coordinate running the Archive process with resources running Refund Journals during daily
processing. The integration file to the Accounts Payable system is available automatically and Accounts
Payable Clerks can begin processing customer refunds immediately at start of day.

#### **Financial Reporting Bundle**

- NorthStar's Financial Reporting Bundle includes the following NorthStar reports:
  - Trial Balance By Service/Trial Balance By Account
  - Summary Trial Balance By Account
  - Accounts Deposit Listing
  - Customer Deposit Listing
  - Aging Report
  - A/R Aging Report By Service/A/R Aging Summary
- The reporting bundle is scheduled to run at night, eliminating the need to coordinate running financial reports and processes with resources performing live activities. Users begin balancing activities immediately upon open of day, freeing up several hours of time wasted waiting for the processes to run. Users can spend more time analyzing Financial reports rather than waiting for them to process

#### **Meter Reading Workflow**

• NorthStar's Meter Reading Automation workflow automatically runs the Reading Load based on a Customer's predefined reading requirements, as generally defined in NorthStar's Meter Reading Schedule. The Import File Creation and Export file Translation are automatically processed, allowing the Automation Platform to generate the Meter Reading Verification report, saving the report for exceptions handling. Scheduling meter readings in advance and allowing NorthStar to load the meters and create the Import file(s) can increase reliability and decrease dependence on individuals. Files can be processed overnight so meter readers can begin reading their routes first thing in the morning. Once the reads have been completed, let the workflow bring the reads back into NorthStar and have the verification reports ready and waiting at the earliest possible moment. No wasted time and issues resolved more quickly leads to more efficient billing!

#### **Billing Workflow**



• NorthStar's Billing workflow automates the processing tasks associated with billing. This includes calculating the bills upon transferring to billing and generating the Verification Listing as well as completing the final steps of Journal Print and Post. Automating the various steps of a batch can result in less load on NorthStar during business hours as well as more appropriate use of the Billing Department's time. Calculation and verification listings can be completed automatically and be made available for review upon completion. Journal print and post can be sequenced to run prior to G/L automation to ensure that the day's activity is included in the correct G/L interface file. Automating these processes results in billers being able to concentrate on exceptions processing rather than waiting for processes to run.

#### **Pre-Authorized Payment Workflow**

NorthStar's Pre-Authorized Payment Automation workflow automatically processes your pending Pre-Authorized payments by transferring them to cash, printing and archiving your Cashiering Journal Print and posting payments to customer's accounts on the applicable payment date. Automating the processing of Pre-Authorized payments ensures payments are posted directly to customer's accounts on the due date without having to maintain external schedules or calendar reminders to manually post. The process can be scheduled to run at night so the payments are posted immediately at start of day. This reduces conflicts with Collection activities as well as the incidence of incorrectly applied interest charges or late fees, and the resulting reversals.

#### **Lockbox Payment Workflow**

• NorthStar's Lockbox Payment workflow automatically processes your Lockbox Import. The import is then followed by printing and archiving the Pre-Transfer Listing, transferring the payments to cash, printing and archiving the Cashiering Journal and Posting payments to customer's accounts. Automating the Lockbox process ensures payments are posted to accounts in a timely fashion. The process can be configured to run at night and throughout the day ensuring payments are posted prior to Credit Control loads running, reducing conflicts with Collection activities as well as the incidence of incorrectly applied interest charges or late fees, and the resulting reversals. Automating this process also frees up users to handle Lockbox Transfer exceptions and contact customers who may be using incorrect banking information on their payments.

#### **Web Payment Workflow**

• NorthStar's Web Payment workflow automatically processes your Web Payment Transfer to Cashiering. The transfer is then followed by printing and archiving the Cashiering Journal and Posting payments to customer's accounts. Automating the Web Payment process ensures payments are posted to accounts in a timely fashion. The process can be configured to run at night ensuring payments are posted prior to Credit Control loads running, reducing conflicts with Collection activities as well as the incidence of incorrectly applied interest charges or late fees, and the resulting reversals. Automating this process also frees up users to concentrate on walk in customer traffic and handling exceptions such as misapplied payments.

#### **Credit Control Workflow**

 NorthStar's Credit Control Automation workflow creates Credit Control batches and runs the Aging or Auto Load within Credit Control, loading delinquent accounts into the Credit Control Batch for exceptions and collections processing. By running the process at night, users are unaffected by the load and conflicts with payment processing are avoided. Credit resources can immediately begin exceptions and collections handling upon open of business day resulting in earlier Notice delivery and/or disconnections. Best of all,



the Credit Department will be freed up to concentrate on Customer Service rather than monitoring the process.

#### Write Off Workflow

• NorthStar's Write Off workflow includes the automation of the Write Off process. Creation of the Write Off batch, loading the accounts, creating and saving the journal and posting the transactions are all available with this workflow. The Write Off process can be configured to run at a predefined time such as at month end, and for various scenarios such as credit balances, small balances write off etc.. The Write Off workflow allows Utilities to define the required parameters and load the accounts with no manual intervention required. The remaining tasks, the Journal Print and Post processes are also included in this workflow. By automating the Write Off process users spend less time completing this manual process and can be more proactive in their collection efforts to minimize bad receivables moving forward.

#### **Reverse Write Off Workflow**

• NorthStar's Reverse Write Off workflow includes the automation of the Reverse Write Off process. Creation of the Reverse Write Off batch, loading the accounts, creating and saving the journal and posting the transactions are all available with this workflow. By configuring the Reverse Write Off workflow to automatically run on a predefined schedule you eliminate the need to track and communicate bad debt payments manually. Payments through Lockbox or the Web are identified for reversal automatically with no manual intervention. Automate your write off reversals to ensure you are recovering your bad debt expense in a timely fashion.

#### **Balance Transfer Workflow**

NorthStar's Balance Transfer Workflow creates Balance Transfer batches, loading accounts using the
Filtered Method. The process identifies accounts with like Debtor Numbers to move balances between.
Final steps of the rule include generating and saving the Journal and Posting the transactions to the
individual accounts. This workflow is typically configured to run for credit balance transfers after posting
Final Billing and once per month for debit balance transfers. Automating this process frees up both system
and human resources to other tasks that require human intervention and allows NorthStar to handle the
process outside of normal business hours.

#### **Late Payment Journal Workflow**

NorthStar's Late Payment Workflow automatically loads accounts for Late Payment processing. The
workflow loads accounts and is followed by generating and archiving the Late Payment Journal and Posting
Late Payment to customer's accounts. The process can be configured to run over night to ensure Late
Payment appears on accounts immediately at start of business day, providing accurate cash and collections
balance amounts.

#### **Overdue Interest Journal Workflow**

NorthStar's Overdue Interest Workflow automatically loads accounts for Overdue Interest processing. The
workflow loads accounts and is followed by generating and archiving the Overdue Interest Journal and
Posting Overdue Interest to customer's accounts. The process can be configured to run over night to
ensure Overdue Interest appears on accounts immediately at start of business day, providing accurate cash
and collections balance amounts.



#### **Deposit Interest Workflow**

NorthStar's Deposit Interest Workflow automatically loads accounts into the Refund Journal for Deposit
Interest processing. The workflow loads accounts and is followed by generating and archiving the Deposit
Interest Refund Journal and Posting Deposit Interest to customer's accounts. This workflow is scheduled
to run at night at month/year end eliminating the need to wait for the interest to be posted prior to
beginning balancing activities. It also frees up time wasted waiting for the processes to run allowing users
to spend more time on analyzing month/year end financial reports and results.

#### **Deposit Refund Workflow**

NorthStar's Deposit Refund Workflow automatically loads accounts into the Refund Journal for Deposit
Refund processing based on predefined refund requirements. The workflow loads accounts and is followed
by generating and archiving the Deposit Refund Journal and Posting Deposit Refunds to customer's
accounts. The workflow can run on a predefined schedule and will load and process accounts that are
eligible for refund based on the Utility's refund rules. Automating this process frees up reps to concentrate
on collection of deposits from poor paying customers and other collection processes requiring much more
manual intervention and attention.

#### **Credit Refund Workflow**

• NorthStar's Credit Refund Workflow automatically loads accounts into the Refund Journal for Credit Refund processing. The workflow loads credit balance accounts for refund and is followed by generating and archiving the Credit Refund Journal and Posting the refunds to customer's accounts. The Credit Refund workflow is typically configured to automatically run after Final Billing post and the Balance Transfer Program has been run. The process is configured to locate final accounts with a remaining credit to be refunded through Accounts Payable. Automating this process frees up both system and human resources to other tasks that require human intervention and allows NorthStar to handle the process outside of normal business hours.

#### **Reverse from Balance History Workflow**

• NorthStar's Reverse from Balance History Workflow allows users to select Late Payment, Overdue Interest (from OI Journal) or Extra Charges to reverse from a customer's account. The process automatically loads the reversing entry into the Extra Charge Journal and can run the process through to post. The Reverse from Balance History workflow allows users to perform on demand reversals of Late Payment, Overdue Interest (from OI Journal) or Extra Charge entries. The process immediately updates the customer's account, ensuring an accurate balance for cash and collection purposes. The process is easy and streamlined, allowing CSRs to process the adjustment with a simple right click of the mouse.

#### **Automation Platform Maintenance Workflow**

NorthStar's Automation Platform Maintenance workflow purges and archives the Event and Payload data
that is used by and/or generated through the various rules in use by the Automation Platform. The
Automation Platform Maintenance workflow ensures the automation tables maintain a reasonable size
and that remaining data is easily accessible to the rules and workflows that require it. Regular
maintenance minimizes performance issues due to volume of data ensuring workflows run smoothly and
without interruption.



## 3 FEES & PAYMENT SCHEDULE

## 3.1 Subscription Fees

Core Automation Suite Subscription				
Year 1 subscription fee	\$15,000	\$15,000		
Year 2 subscription fee	\$15,525	\$15,525		
Year 3 subscription fee	\$16,068	\$16,068		

The Subscription license commences at completion of milestone 4, User Acceptance Testing sign off. The initial term of this SOW is 3 years and Santa Clara cannot terminate the subscription within the 3 year term. The Subscription may be renewed annually thereafter.

#### 4 TERMINATION

Unless NorthStar and/or Santa Clara exercises its right to terminate this SOW during the implementation stage due to material breach or default, NorthStar must provide, and Santa Clara must purchase, services from NorthStar for the items defined within this SOW.

If Santa Clara and/or NorthStar exercises its right to terminate this SOW during implementation stage due to material breach or default

Santa Clara's obligation includes the following:

- 1. Return the software to NorthStar and certify, under the hand of a duly authorized officer of Santa Clara, that all copies of the software or any part thereof, in any form, within the possession or control of Santa Clara have been returned to NorthStar. (if applicable)
- 2. Complete payment for services performed and expenses incurred prior to termination including:
  - a. Any amounts previously invoiced but unpaid;
  - b. Fees for services performed through the termination date which has not been invoiced; and
  - c. Any approved travel and living costs.

NorthStar's obligation includes the following:

1. Refund to Santa Clara any fees that have not been earned under this SOW through the termination date.

Under no circumstances shall NorthStar be liable for any special, indirect, consequential, punitive or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work, even if NorthStar has been



advised of the possibility of such damages. In any event, NorthStar shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by NorthStar under this statement of work.



## APPENDIX E – SAMPLE IMPLEMENTATION PROJECT PLAN

ıD	Task Name	Duration	Start	Finish	1 1	······································
1	Santa Clara NS Upgrade & Core Automation Suite	123 days	Jan 2 '17	Jun 21 '17	4th Opent 1st Quarte 2nd Quart	3rd Quar
2	General PM and oversight	123 days	Jan 2 '17	Jun 21'17		NS
3	Archive & Purge Project	60 days	Jan 2 '17	Mar 24 '17		
4	Archive	15 days	Jan 2 '17	Jan 20 '17	PID .	
5	Plan, install & run in TEST	1 wk	Jan 2 '17	Jan 6 '17	_1 <b>1</b> 5	
6	Customer review & approval	I wk	Jan 9 '17	Jan 13 '17	₹ SC	
7	Install & run in Production	1 wk	Jan 16 '17	Jan 20 '17	MAS	
8	Purge	15 days	Jan 23 '17	Feb 10 '17	i <b>t</b> h	
9	Plan, install & run in TEST	1 wk	Jan 23 '17	Jan 27'17	i i i i i i i i i i i i i i i i i i i	
16)	Customer review & approval	1 wk	Jan 30 '17	Feb 3'17	ii sc	
11	Install & run in Production	1 wk	Feb 6 17	Feb 10 '17	NS	
12	User Acceptance	30 days	Feb 13 '17	Mar 24 '17	₩ <sub>~</sub> sc	
13	Archive & purge project complete	0 days	Mar 24 '17	Mar 24 '17	<b>6</b> 3/24	
14	Utilization Review Project	16 days	Jan 2 '17	Jan 23 '17	H	
15	Preparation	1 wk	Jan 2 '17	Jan 6 '17	L (45	
16	Onsite review	1 wk	Jan 9 '17	Jan 13 '17	NS. SC	
17	Produce document	1 wk	Jan 16 '17	Jan 20 '17	NS	
18	Remote follow-up session	1 day	Jan 23 '17	Jan 23 '17	NS,SC	
19	Utilization review project complete	0 days	Jan 23 '17	Jan 23 '17	€.* 1/23	
20	Upgrade Project	110 days	Jan 2 '17	Jun 2 '17	F	
21	Test and Live Instance	110 days	Jan 2 '17	Jun 2 '17	η	
22	Preparation	40 days	Jan 2 '17	Feb 24 '17	r e	
23	install NS and add-ons	1 wk	Jan 2 '17	Jan 6 '17	145	
24	Review custom mods & Integrations	3 wks	Jan 9 '17	Jan 27'17	NS	
25	Develop site-specific tests scripts	3 wks	Jan 30 '17	Feb 17'17	NS	
26	Confirm solution is ready for UAT	1 wk	Feb 20 '17	Feb 24 '17	NS	
27	System acceptance testing	20 days	Feb 27 '17	Mar 24 '17	Fr₁	
28	NS orientation session	1 day	Feb 27 '17	Feb 27'17	N5,5C	
29	Onsite testing support	2 wks	Feb 27 '17	Mar 10 '17	a NS	
30	User acceptance testing	4 wks	Feb 27 '17	Mar 24 '17	sc	
31	User Acceptance testing	20 days		•	i i i i	
32	Onsite testing support	2 wks	Mar 27 '17		(a) NS	
33	System acceptance testing	4 wks	Mar 27 '17	•	[sc]	
34	Go-live	-	Apr 24 '17			_
35	Go-live rehearsal	1 wk	Apr 24 '17		NS.S	
36	Go-live cutover	1 wk	May 1 '17	•	N5.5	SC ic
37	Post go-live support		May 8 '17			2
36	Dev Instance		•	May 19 '17		
39	Install NS and add-ons	1 wk	Apr 24 '17			
40	UAT	3 wks	•	May 19 '17		
41	Upgrade project complete	0 days	Jun 2 '17		\$ ₹	5/2
42	Automation Platform Project			Jun 2 '17		
43	Install & configure	25 days	Jan 2 '17	Feb 3 '17		
		Page 1				



D	Task Name	Duration	Start	Finish	
44	Deploy to Dev environment	1 wk	Jan 2 '17	Jan 6 '17	4th Quarte 1st Quarte 2nd Quart 3rd Qua
45	Review & complete checklists	2 wks	71' e nst	Jan 20 '17	* sc
46	Configure per checklists	2 wks	Jan 23 '17	Feb 3 '17	* NS
47	User acceptance testing	25 days	Feb 6 '17	Mar 10 '17	l <b>t</b>
48	User acceptance testing	3 wks	Feb 6 '17	Feb 24 '17	sc sc
49	Refinements and changes	5 wks	Feb 6 '17	Mar 10 '17	NS NS
50	System acceptance testing	45 days	Mar 13 '17	May 12 '17	<u> </u>
51	Install & configure AP's in Test environment	1 wk	Mar 13 '17	Mar 17 '17	, NS
5.2	System acceptance testing	3 wks	Mar 20 17	Apr 7 '17	▼ <sub>¬</sub> sc
53	Refinements and changes	5 wks	Apr 10 '17	May 12 '17	* N5
54	Go-live	15 days	May 12 '1'	Jun 2 '17	
55	Install & configure in Live environment	1 wk	May 15 "17	'May 19 '17	N5 NS
56	Post go-live support	2 wks	May 22 '15	Jun 2'17	* N5
57	Automation platform project complete	0 days	May 12 °17	May 12 '17	6 5/12

Page 2



# AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NORTHSTAR UTILITIES SOLUTIONS

#### **EXHIBIT B**

#### FEE SCHEDULE

Contractor shall bill at the rates and upon the schedules set forth in the two "Statement of Work" documents attached to Exhibit A, and such payment are expressly subject to section 34 of the Agreement, entitled "Retention."

In no event shall the amount billed to City by Contractor for services under this Agreement exceed two hundred seventy-six thousand six hundred forty eight (\$276,648.00), subject to budget appropriations.



#### AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NORTHSTAR UTILITIES SOLUTIONS

#### **EXHIBIT C**

#### **INSURANCE REQUIREMENTS**

Without limiting the Contractor's indemnification of the City, prior to commencing any of the Services required under this Agreement, the Contractor shall provide and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:

#### A. COMMERCIAL GENERAL LIABILITY INSURANCE

1. Commercial General Liability Insurance policy which provides coverage at least as broad as Insurance Services Office form CG 00 01. Policy limits are subject to review, but shall in no event be less than, the following:

\$1,000,000 Each Occurrence \$2,000,000 General Aggregate \$2,000,000 Products/Completed Operations Aggregate \$1,000,000 Personal Injury

- 2. Exact structure and layering of the coverage shall be left to the discretion of Contractor; however, any excess or umbrella policies used to meet the required limits shall be at least as broad as the underlying coverage and shall otherwise follow form.
- 3. The following provisions shall apply to the Commercial Liability policy as well as any umbrella policy maintained by the Contractor to comply with the insurance requirements of this Agreement:
  - a. Coverage shall be on a "pay on behalf" basis with defense costs payable in addition to policy limits;
  - b. There shall be no cross liability exclusion which precludes coverage for claims or suits by one insured against another; and
  - c. Coverage shall apply separately to each insured against whom a claim is made or a suit is brought, except with respect to the limits of liability.



#### B. BUSINESS AUTOMOBILE LIABILITY INSURANCE

Business automobile liability insurance policy which provides coverage at least as broad as ISO form CA 00 01 with policy limits a minimum limit of not less than one million dollars (\$1,000,000) each accident using, or providing coverage at least as broad as, Insurance Services Office form CA 00 01. Liability coverage shall apply to all owned, non-owned and hired autos.

In the event that the Work being performed under this Agreement involves transporting of hazardous or regulated substances, hazardous or regulated wastes and/or hazardous or regulated materials, Contractor and/or its subcontractors involved in such activities shall provide coverage with a limit of two million dollars (\$2,000,000) per accident covering transportation of such materials by the addition to the Business Auto Coverage Policy of Environmental Impairment Endorsement MCS90 or Insurance Services Office endorsement form CA 99 48, which amends the pollution exclusion in the standard Business Automobile Policy to cover pollutants that are in or upon, being transported or towed by, being loaded onto, or being unloaded from a covered auto.

#### C. WORKERS' COMPENSATION

- 1. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.
- 2. The indemnification and hold harmless obligations of Contractor included in this Agreement shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefit payable by or for Contractor or any subcontractor under any Workers' Compensation Act(s), Disability Benefits Act(s) or other employee benefits act(s).
- 3. This policy must contain a Waiver of Subrogation in favor of the City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents.

#### D. COMPLIANCE WITH REQUIREMENTS

All of the following clauses and/or endorsements, or similar provisions, must be part of each commercial general liability policy, and each umbrella or excess policy.

- 1. <u>Additional Insureds</u> (General Liability and Auto Liability policies only). City of Santa Clara, its City Council, commissions, officers, employees, volunteers and agents are hereby added as additional insureds in respect to liability arising out of Contractor's work for City, using Insurance Services Office (ISO) Endorsement CG 20 10 11 85 or the combination of CG 20 10 03 97 and CG 20 37 10 01, or its equivalent.
- 2. <u>Primary and n</u>on-contributing (General Liability and Auto Liability policies only). Each insurance policy provided by Contractor shall contain language or be



endorsed to contain wording making it primary insurance as respects to, and not requiring contribution from, any other insurance which the Indemnities may possess, including any self-insurance or self-insured retention they may have. Any other insurance Indemnities may possess shall be considered excess insurance only and shall not be called upon to contribute with Contractor's insurance.

- 3. <u>Cancellation</u>. The Commercial General Liability policy shall contain language or be endorsed to reflect that, in the event of cancellation, thirty (30) days written notice will be given to City.
- 4. <u>Other Endorsements</u>. Other endorsements may be required for policies other than the commercial general liability policy if specified in the description of required insurance set forth in Sections A through D of this Exhibit C, above.

#### E. ADDITIONAL INSURANCE RELATED PROVISIONS

Contractor and City agree as follows:

- 1. Contractor agrees to ensure that subcontractors, and any other party involved with the Services who is brought onto or involved in the performance of the Services by Contractor, provide the same minimum insurance coverage required of Contractor, except as with respect to limits. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage provided in conformity with the requirements of this Agreement. Contractor agrees that upon request by City, all agreements with, and insurance compliance documents provided by, such subcontractors and others engaged in the project will be submitted to City for review.
- 2. Contractor agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Contractor for the cost of additional insurance coverage required by this Agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.



3. The City reserves the right to withhold payments from the Contractor in the event of material noncompliance with the insurance requirements set forth in this Agreement.

#### F. EVIDENCE OF COVERAGE

Prior to commencement of any Services under this Agreement, Contractor, and each and every subcontractor (of every tier) shall, at its sole cost and expense, provide and maintain not less than the minimum insurance coverage with the endorsements and deductibles indicated in this Agreement. Such insurance coverage shall be maintained with insurers, and under forms of policies, satisfactory to City and as described in this Agreement. Contractor shall file with the City all certificates and endorsements for the required insurance policies for City's approval as to adequacy of the insurance protection.

#### G. EVIDENCE OF COMPLIANCE

Contractor or its insurance broker shall provide the required proof of insurance compliance, consisting of Insurance Services Office (ISO) endorsement forms or their equivalent and the ACORD form 25-S certificate of insurance (or its equivalent), evidencing all required coverage shall be delivered to City, or its

representative as set forth below, at or prior to execution of this Agreement. Unless otherwise required by the

set forth below, at or prior to execution of this Agreement. Unless otherwise required by the terms of this Agreement, all certificates, endorsements, coverage verifications and other items required to be delivered to City pursuant to this Agreement shall be mailed to: EBIX Inc.

City of Santa Clara Finance Department

P.O. Box 100085 - S2

or 1 Ebix Way

Duluth, GA 30096

John's Creek, GA 30097

Telephone number:

951-766-2280

Fax number:

770-325-0409

Email address:

ctsantaclara@ebix.com

#### H. QUALIFYING INSURERS

All of the insurance companies providing insurance for Contractor shall have, and provide written proof of, an A. M. Best rating of at least A minus 6 (A-VI) or shall be an insurance company of equal financial stability that is approved by the City or its insurance compliance representatives.



## AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NORTHSTAR UTILITIES SOLUTIONS

#### **EXHIBIT D**

#### ETHICAL STANDARDS FOR CONTRACTORS SEEKING TO ENTER INTO AN AGREEMENT WITH THE CITY OF SANTA CLARA, CALIFORNIA

#### **Termination of Agreement for Certain Acts.**

- A. The City may, at its sole discretion, terminate this Agreement in the event any one or more of the following occurs:
  - 1. If a Contractor<sup>1</sup> does any of the following:
    - a. Is convicted<sup>2</sup> of operating a business in violation of any Federal, State or local law or regulation;
    - b. Is convicted of a crime punishable as a felony involving dishonesty<sup>3</sup>;
    - c. Is convicted of an offense involving dishonesty or is convicted of fraud or a criminal offense in connection with: (1) obtaining; (2) attempting to obtain; or, (3) performing a public contract or subcontract;
    - d. Is convicted of any offense which indicates a lack of business integrity or business honesty which seriously and directly affects the present responsibility of a City contractor or subcontractor; and/or,
    - e. Made (or akes) any false statement(s) or representation(s) with respect to this Agreement.
- For purposes of this Agreement, the word "Consultant" (whether a person or a legal entity) also refers to "Contractor" and means any the following: an owner or co-owner of a sole proprietorship; a person who controls or who has the power to control a business entity; a general partner of a partnership; a principal in a joint venture; or a primary corporate stockholder [i.e., a person who owns more than ten percent (10%) of the outstanding stock of a corporation] and who is active in the day to day operations of that corporation.
- For purposes of this Agreement, the words "convicted" or "conviction" mean a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere within the past five (5) years.
- As used herein, "dishonesty" includes, but is not limited to, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, failure to pay tax obligations, receiving stolen property, collusion or conspiracy.



- 2. If fraudulent, criminal or other seriously improper conduct of any officer, director, shareholder, partner, employee or other individual associated with the Contractor can be imputed to the Contractor when the conduct occurred in connection with the individual's performance of duties for or on behalf of the Contractor, with the Contractor's knowledge, approval or acquiescence, the Contractor's acceptance of the benefits derived from the conduct shall be evidence of such knowledge, approval or acquiescence.
- B. The City may also terminate this Agreement in the event any one or more of the following occurs:
  - 1. The City determines that Contractor no longer has the financial capability<sup>4</sup> or business experience<sup>5</sup> to perform the terms of, or operate under, this Agreement; or,
  - 2. If City determines that the Contractor fails to submit information, or submits false information, which is required to perform or be awarded a contract with City, including, but not limited to, Contractor's failure to maintain a required State issued license, failure to obtain a City business license (if applicable) or failure to provide and maintain bonds and/or insurance policies required under this Agreement.
- C. In the event a prospective Contractor (or bidder) is ruled ineligible (debarred) to participate in a contract award process or a contract is terminated pursuant to these provisions, Contractor may appeal the City's action to the City Council by filing a written request with the City Clerk within ten (10) days of the notice given by City to have the matter heard. The matter will be heard within thirty (30) days of the filing of the appeal request with the City Clerk. The Contractor will have the burden of proof on the appeal. The Contractor shall have the opportunity to present evidence, both oral and documentary, and argument.

Loss of personnel deemed essential by the City for the successful performance of the obligations of the Contractor to the City.



Contractor becomes insolvent, transfers assets in fraud of creditors, makes an assignment for the benefit of creditors, files a petition under any section or chapter of the federal Bankruptcy Code (11 U.S.C.), as amended, or under any similar law or statute of the United States or any state thereof, is adjudged bankrupt or insolvent in proceedings under such laws, or a receiver or trustee is appointed for all or substantially all of the assets of Contractor.

## AGREEMENT FOR THE PERFORMANCE OF SERVICES BY AND BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND NorthStar Utilities Solutions

#### **EXHIBIT E**

#### AFFIDAVIT OF COMPLIANCE WITH ETHICAL STANDARDS

I hereby state that I have read and understand the language, entitled "Ethical Standards" set forth in Exhibit D. I have the authority to make these representations on my own behalf or on behalf of the legal entity identified herein. I have examined appropriate business records, and I have made appropriate inquiry of those individuals potentially included within the definition of "Contractor" contained in Ethical Standards at footnote 1.

Based on my review of the appropriate documents and my good-faith review of the necessary inquiry responses, I hereby state that neither the business entity nor any individual(s) belonging to said "Contractor" category [i.e., owner or co-owner of a sole proprietorship, general partner, person who controls or has power to control a business entity, etc.] has been convicted of any one or more of the crimes identified in the Ethical Standards within the past five (5) years.

The above assertions are true and correct and are made under penalty of perjury under the laws of the State of California.

NorthStar Utilities Solutions An Ontario Corporation

By: NorthStar Utilities Solutions, a division of N. Harris Computer Corporation

Signature of Authorized Person or Representative

Name: Julie Geoffrey
Title: Commercial Counsel

#### NOTARY'S ACKNOWLEDGMENT TO BE ATTACHED

Please execute the affidavit and attach a notary public's acknowledgment of execution of the affidavit by the signatory. If the affidavit is on behalf of a corporation, partnership, or other legal entity, the entity's complete legal name and the title of the person signing on behalf of the legal entity shall appear above. Written evidence of the authority of the person executing this affidavit on behalf of a corporation, partnership, joint venture, or any other legal entity, other than a sole proprietorship, shall be attached.





#### City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

#### Agenda Report

20-714 Agenda Date: 11/10/2020

#### REPORT TO COUNCIL

#### SUBJECT

Action on Agreements with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### <u>BACKGROUND</u>

The City's utility billing system is NorthStar Customer Information System (NorthStar CIS) from N. Harris Computer Corporation (Harris) which was implemented through a highly competitive process in 1998 and is a citywide, integrated online system consisting of a complex set of hardware, firmware, and software. It is the backbone of the customer billing system with ten user applications operating on the platform to enable seamless integration between meter reading, service orders, meter data management, generation of utility bills, collection of various payment channels, customer service delivery channels including a call center and on-line self-service web portal, while enabling the turn on/off of utility services and many other service related activities.

In September 2017, City Council authorized staff to execute an agreement with Harris to upgrade the NorthStar CIS system from version 6.3 to version 6.4. Once the upgrade is complete, the utility billing system is considered up to date enabling interfaces with various new technologies including advanced Application Programming Interfaces (API) required with modern banking platforms and the Core Automation Rules Engine Platform enabling new electronic business processes.

The current agreement expires on December 7, 2020.

#### **DISCUSSION**

The NorthStar CIS is mission critical to the City's customer billing operations. The software upgrade to version 6.4 and purge was completed in April 2019. The software upgrade included updated technology that was required to be in place prior to the Core Automation Platform Rules Engine process being enabled in the live/production environment. Best practices called for 3-6 month software/user stabilization period prior to the Core Automation Platform Rules Engine implementation, which will automate portions of the City's billing, cashiering and meter reading functions.

The maximum compensation under the current agreement is \$276,648. Thus far, \$237,667 has been paid to Harris, leaving an unspent balance of \$38,981 to complete the project. Project completion is delayed due to unforeseen resource constraints, multiple projects driven by utility stakeholders requiring immediate assistance from key Finance staff, and COVID-19 Shelter in Place order which suspended work on this project due to the emergency order to provide essential only services during

20-714 Agenda Date: 11/10/2020

the pandemic. The project however is expected to complete on budget for the original contract amount.

Since the agreement was executed in 2017, staff has identified additional work required to bring NorthStar CIS compliant to the latest Payment Card Industry Data Security Standard (PCI DSS) which is a set of requirements for enhancing payment card account data security. A new scope of work is currently in development to transition the payment system from NorthStar CIS to the City's Smart Energy Water (SEW) platform to achieve a compliant PCI DSS environment for credit card payments. This additional work is consistent with evolving credit card security standards and requirements and will provide additional system functionalities for customers to view their utility interval usage online as well as enhance ease of use. The Smart Energy Water online self-service web portal will be especially useful for the City's commercial/industrial customers for planning purposes. The estimated cost for this work is \$165,952 plus \$16,900 for annual software maintenance.

Another effort on the horizon is work related to the City's change of banking services from Bank of America to JPMorgan Chase Bank. While staff anticipates that successful completion of the SEW project will achieve the latest PCI DSS compliance for credit card payments, additional work may still be required from Harris since bank services are tightly integrated with the City's utility billing system.

In order to complete the upgrade to version 6.4, staff is requesting authority to amend the agreement to extend the term through December 31, 2023, and to further amend the agreement for work associated with the SEW project and change of banking services to JPMorgan Chase Bank. Additional work will be negotiated with Harris and executed as amendments to the agreement, subject to the City Attorney's Office and City Manager's approval and the appropriation of funds.

The cost of the NorthStar CIS in FY2020/21 for annual support and maintenance is \$171,595. Staff is currently working with Harris to update the existing annual support and maintenance agreement to better reflect the new software products and configurations that are or will be licensed to the City. Therefore, staff is also requesting authority to negotiate and execute a new support and maintenance agreement with Harris, subject to the City Attorney's Office and City Manager's approval and appropriation of funds.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

#### FISCAL IMPACT

The proposed Amendment No. 1 extends the terms of the agreement through December 21, 2023, with no changes to the maximum compensation.

Staff will return with budget recommendations to appropriate funds if funding is needed to procure additional services and related software for the Smart Energy Water customer portal integration and the integration of the utility billing system with a new bank.

The cost of the annual support and maintenance for NorthStar CIS in FY 2020/21 is \$171,595 and

20-714 Agenda Date: 11/10/2020

payments were made using available budget appropriation that was included as part of the Adopted FY 2020/21 Operating Budget. Upon the execution of a new support and maintenance agreement, funding will be incorporated into the budget development process in the out years.

#### COORDINATION

This report has been coordinated with the City Attorney's Office and the Information Technology Department.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a> or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

- 1. Authorize the City Manager to execute Amendment No. 1 to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System to extend the term of the agreement through December 31, 2023, with no change to the maximum compensation of \$276,648.

  2. Authorize the City Manager to negotiate and execute future amendments to the agreement with N. Harris Computer Corporation for additional work related to the SEW project and change of banking.
- Harris Computer Corporation for additional work related to the SEW project and change of banking services and extend the term, if required, to complete the additional work and subject to the appropriation of funds.
- 3. Authorize the City Manager to negotiate and execute a new support and maintenance agreement with N. Harris Computer Corporation to memorialize the software products and configurations that are licensed to the City with maximum compensation amount not-to-exceed \$171,595 for FY2020/21; negotiate and execute future amendments consistent with additions and deletions of software products and configurations licensed to the City; and execute one-year options to renew the maintenance and support agreement, subject to the appropriation funds.

Reviewed by: Kenn Lee, Director, Finance

Approved by: Deanna J. Santana, City Manager

#### ATTACHMENTS

1. Amendment No. 1 to Harris Agreement

2. 2017 Harris Agreement

## AMENDMENT NO. 1 TO THE AGREEMENT FOR SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND N. HARRIS COMPUTER CORPORATION

#### **PREAMBLE**

This agreement ("Amendment No. 1") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and N. Harris Computer Corporation, a Canadian corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

#### **RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and NorthStar Utilities Solutions", dated December 7, 2017 (Agreement); and
- B. The Parties entered into the Agreement for the purpose of having Contractor provide professional services and software related to the NorthStar Customer Information System, and the Parties now wish to amend the Agreement to assign the agreement to N. Harris Computer Corporation and extend the term of the agreement through December 31, 2023.

NOW, THEREFORE, the Parties agree as follows:

#### AMENDMENT TERMS AND CONDITIONS

- 1. All references to "NorthStar Utilities Solution" in this Agreement shall be replaced with "N. Harris Computer Corporation." All rights and obligations of the City and of the Contractor under this Agreement are unaffected by this assignment.
- 2. Section 5 of the Agreement, entitled "Term of Agreement" is amended to read as follows:

Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date of this Agreement and terminate on December 31, 2023.

3. Except as set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect. In case of a conflict in the terms of the Agreement and this Amendment No. 1, the provisions of this Amendment No. 1 shall control.

Amendment No. 1 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

The Parties acknowledge and accept the terms and conditions of this Amendment No. 1 as evidenced by the following signatures of their duly authorized representatives.

#### CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated: 12/1/2020
BRIAN DOYLE City Attorney	DEANNA J. SANTANA City Manager 1500 Warburton Avenue Santa Clara, CA 95050 Telephone: (408) 615-2210 Fax: (408) 241-6771 "CITY"
N. HAR	RIS COMPUTER CORPORATION a Canadian corporation
Dated:	November 16, 2020
By (Signature): Name:	Sean Sykes
Title:	Vice President, Sales & Marketing
Principal Place of Business Address:	1 Antares Drive, Nepean, ON K2E 8C4 Canada
Email Address:	Ssykes2@harriscomputer.com
Telephone:	( 613) 240-8668
Fax:	( )

"CONTRACTOR"

## AMENDMENT NO. 2 TO THE AGREEMENT FOR PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND N. HARRIS COMPUTER CORPORATION

#### **PREAMBLE**

This agreement ("Amendment No. 2") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and N. Harris Computer Corporation, a Canadian corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties" or the "Parties to this Agreement."

#### **RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and NorthStar Utilities Solutions", dated December 7, 2017 (Agreement); and
- B. The Agreement was previously amended by Amendment No. 1, dated December 1, 2020, and is again amended by this Amendment No. 2. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties entered into the Agreement as Amended for the purpose of having Contractor provide professional services and software related to the NorthStar Customer Information System, and the Parties now wish to amend the Agreement as Amended to increase compensation by One Hundred Eighty-Nine Thousand Five Hundred Fifty-One Dollars (\$189,551) for a revised not-to-exceed amount of Four Hundred Sixty-Six Thousand One Hundred Ninety-Nine Dollars (\$466,199) for additional work related to the Smart Energy Water integration.

NOW, THEREFORE, the Parties agree as follows:

#### AMENDMENT TERMS AND CONDITIONS

- 1. Exhibit A of the Agreement, entitled "Scope of Services", is hereby amended to read as shown in First Revised Exhibit A to add services designated as "Statement of Work: Smart Energy Water Integration," attached and incorporated into this Amendment No. 2.
- 2. Exhibit B of the Agreement, entitled "Schedule of Fees", is hereby amended to read as shown in First Revised Exhibit B.

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

 Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 2, the provisions of this Amendment No. 2 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 2 as evidenced by the following signatures of their duly authorized representatives.

#### CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated: 12/14/2020
$\mathcal{X}$	Milthx Sulab
BRIAN DOYLE	DEANNA I. SANTANA
City Attorney	City Manager 1500 Warburton Avenue
	Santa Clara, CA 95050
	Telephone: (408) 615-2210
	Fax: (408) 241-6771
	"CITY"
N. HAR	RIS COMPUTER CORPORATION a Canadian corporation
Datada	
Dated:	11/24/2020
By (Signature):	Ac the
	Seah Sykes
	Vice President, Sales & Marketing
Principal Place of Business Address:	1 Antares Dr., Nepean, ON, K2E 8C4 Canada
Email Address: ssykes2@harriscomputer.com	
Telephone:	(613) 226-5511
Fax:	
, , , , , , , , , , , , , , , , , , , ,	"CONTRACTOR"

### FIRST REVISED EXHIBIT A SCOPE OF SERVICES

The Services to be performed for the City by the Contractor under this Agreement are more fully described in the Contractor's proposal entitled:

- 1. "Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1;
- 2. "Statement of Work, City of Sant Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1; and
- 3. "Statement of Work: City of Santa Clara, Smart Energy Water Integration" dated July 13, 2020, version 1.5, attached and incorporated into this Amendment No. 2.

### NORTH|STAR™ UTILITIES SOLUTIONS

# STATEMENT OF WORK: SMART ENERGY WATER INTEGRATION CITY OF SANTA CLARA, CA

July 13, 2020 Version 1.5

SOW VALID UNTIL: December 30, 2020

#### **Revision Control**

Document Title: City of Santa Clara – Smart Energy Water Integration SOW
Author: NorthStar Professional Services

Date	Author	Details / Comments
2020-07-13	Pav Sekhon	Initial version of the document.
2020-08-11	Pav Sekhon	REST API only SOW, removed flat files.
2020-10-06	Pav Sekhon	Inputted revisions from Santa Clara
2020-10-15	Pav Sekhon	Updated to 3 weeks of UAT & removed incorrect services maintenance
2020-10-28	Pav Sekhon	Revised payment milestones & added language around data refreshes.
2020-11-02	Pav Sekhon	Revised license payment milestone
	2020-07-13 2020-08-11 2020-10-06 2020-10-15 2020-10-28	2020-07-13       Pav Sekhon         2020-08-11       Pav Sekhon         2020-10-06       Pav Sekhon         2020-10-15       Pav Sekhon         2020-10-28       Pav Sekhon

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#### 1 INTRODUCTION

The City of Santa Clara, hereafter referred to as "Santa Clara", requires an integration between the NorthStar CIS and the Smart Energy Water (SEW) customer portal. NorthStar has performed a discovery of the NorthStar requirements to integrate with SEW. The results of this discovery are documented within the NorthStar SEW Discovery Report.

The purpose of this document is to provide information on the level of effort associated with the design, development and implementation of the NorthStar SEW integration.

#### 1.1 Objective

This Statement of Work (SOW) defines the work to be performed by NorthStar, an unincorporated division of N. Harris Computer Corporation, for the NorthStar SEW integration implementation. This SOW includes a high-level timeline, fees, and other terms and conditions specific to the services requested by Santa Clara. Any additional requests for services that are not defined within this SOW will result in change orders with applicable fees.

Changes to this document shall be made through a change management process as described later in this SOW.

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

#### 2 SERVICE DESCRIPTION

#### 2.1 Areas within Scope

#### 2.1.1 Implementation Scope

#### All implementation activities to be performed remotely, unless otherwise requested.

The scope of this statement of work is to integrate the CIS with Santa Clara's Smart Energy Water customer portal.

The integration will include:

- A data migration process to support cutover from CustomerConnect 2 to SEW, including customer/account, user, and payment information from NorthStar CIS.
- Support of SEW during their integration development with NorthStar REST API.
- Removing data from NorthStar
- Decommissioning CustomerConnect

#### 2.1.2 Implementation Approach

A NorthStar Project Manager (PM) will be the primary point of contact for Santa Clara on the NorthStar SEW Integration implementation. The PM has the overall accountability to successfully deliver the services required for a successful implementation within agreed upon timeframe and budget. The project team will directly report to the PM and the PM will have the authority and support to manage the project team in the best interest of the project. The PM is also accountable for the following high-level project activities:

- Interface with Santa Clara assigned PM.
- Conduct regular internal project meetings to ensure that all aspects of the project are understood by the team and that progress and risks are properly reported.
- Conduct regular project meetings with Santa Clara.
- Review of project status, schedule, risks (i.e. rate of support hour consumption), resources with the City as well as any other issues that may affect the success the project.
- Regular project schedule updates as required.

#### 2.1.3 Design & Development

#### 2.1.3.1 Data Migration Process

- NorthStar will develop a process to migrate customer data from Santa Clara's current customer portal, NorthStar CustomerConnect 2, to SEW to populate the SEW system with an initial set of account, customer, and payment information. Four files will be provided:
  - o Customer Data Migration File from NorthStar CIS
  - o User Migration File from Customer Connect
  - o Autopay Migration File from NorthStar CIS
  - o Payment Method Migration File from NorthStar

These files will be generated from the NorthStar CIS and uploaded to Santa Clara's FTP site for processing. The two payment detail files will be encrypted before being upload to SEW's server.

- NorthStar will perform the initial data migration for validation purposes.
- NorthStar will provide user documentation to allow Santa Clara to run the data migration process on an as needed basis once the initial migration is complete.

#### 2.1.3.2 Real-Time REST API's

The NorthStar REST API will be the vehicle by which SEW will perform the majority of interactions with the NorthStar CIS. The following APIs will be utilized for this integration:

- Query and update Account information
- Query and update Customer information
- Query Meter information
- Query Account Billing information
- Query Account Payment information
- Posting Payment information for an Account
- Query and create Service Order information for an Account

The full documentation of the NorthStar REST API will be provided in a companion document.

Collaborate with SEW and Santa Clara to define the networking infrastructure necessary for the integration to be implemented.

#### 2.1.3.3 Removing data from NorthStar

• Removal of Banking and Credit Card details from NorthStar CIS.

#### 2.1.3.4 Decommissioning CustomerConnect

- Stop all CustomerConnect services
- Remove all CustomerConnect code, including log files

#### 2.1.4 NorthStar Consulting Services

- NorthStar will configure the NorthStar server to run under HTTPS using a self-signed SSL certificate. Santa Clara will secure a certificate issued by a trusted authority if it chooses.
- NorthStar will provide Santa Clara with up to 80 hours of consulting services to assist
  SEW with integration to the NorthStar CIS, including the documentation detailed above.
  If additional effort is required to assist Santa Clara and SEW with the integration design
  and development, Santa Clara will be notified and asked for approval in advance of
  NorthStar completing the incremental work.

#### 2.1.5 Deployment

• NorthStar will deploy these migration scripts to Santa Clara's NorthStar TEST or DEV environment for data validation and acceptance testing.

#### 2.1.6 SEW Testing and Validation

- NorthStar will provide Santa Clara with documentation on the initial execution of the
  data migration scripts. NorthStar will provide Santa Clara with documentation on the
  initial execution of the data migration scripts. NorthStar shall be involved through to
  production to ensure the migration scripts work and are fully documented.
- Starting with the first week through the end of Go Live activities, Contractor shall submit a document as part of the regularly scheduled touchpoints, showing status of outstanding issues, regardless of severity, including the action log with steps to resolution and a targeted completion date for all P1 issues.
- Santa Clara will have six (6) weeks to complete the initial round of data validation and solution validation testing while NorthStar remediates all priority 1 issues. After the initial round of validation testing, Santa Clara will provide sign off. NorthStar will perform a code freeze and Santa Clara will then have three (3) weeks of final User Acceptance Testing (UAT) prior to scheduling Go LIVE.

• If a project delay is encountered due to external factors outside of NorthStar's control, and testing needs to extend beyond the initial six (6) week window for UAT and subsequent three (3) week window for final remediation testing NorthStar and Santa Clara will analyze the results of this external factor on the project timeline to determine if there is a need for a change request to reflect a substantial change to the project plan, budget, or timeline.

#### 2.1.7 Data Refreshes

- NorthStar will perform 2 data refreshes of the NorthStar TEST or DEV instance throughout the integration project. The initial data refresh will be performed prior to the start of data migration validation. The second data refresh will be performed upon receipt of Solution Validation Testing sign off in preparation for final User Acceptance Testing. Any requests for additional data refreshes will be considered at an additional cost/schedule impact to the project. Any requests for additional data refreshes will be considered at an additional cost/schedule impact to the project. NorthStar to ensure none of the configuration is overwritten in error. All configuration will be updated to reflect test/dev on each refresh
- Should Santa Clara choose to perform additional refreshes without NorthStar's assistance, they will need to coordinate the refresh with NorthStar to ensure none of the configuration work is overwritten in error. If a refresh occurs without NorthStar's prior knowledge and set ups need to be restored a change order will be issued for the additional effort to do so.

#### 2.1.8 NorthStar Go LIVE Preparation

• Upon Santa Clara Acceptance sign off, NorthStar shall support SEW and Santa Clara to migrate their production data to the SEW environment.

#### 2.1.9 NorthStar Post LIVE Support

• Provide dedicated remote support twenty (20) business days Post LIVE before transitioning Santa Clara back to NorthStar Support Services.

#### 2.1.10 Santa Clara Responsibilities

Following are the key responsibilities of Santa Clara under this agreement:

- Ensuring NorthStar has direct, dedicated remote technical connection capabilities with administration access to any server that the NorthStar applications reside on for the duration of the implementation project.
- 2. Conducting User Acceptance testing.
- 3. Leading Go LIVE activities:
  - a. Creating a web page announcing that the web portal is unavailable during the final Go LIVE data migration and disabling the page once the migration activity is complete. No payments will be posted during the maintenance window.
  - b. Performing a second data migration of customer data from CustomerConnect 2 to SEW to update the SEW system with a current set of account, customer, and payment information.
  - c. Disabling the page once the migration activity is complete. No payments will be posted during the maintenance window.
- 4. Santa Clara shall be responsible for providing the FTP server to be the repository of the files passed between the NorthStar CIS and SEW portal.

#### 2.1.11 Project Completion Criteria

The Project is deemed completed once the NorthStar SEW integration has been deployed to the live environment for twenty (20) business days and that any Priority 1 items raised during that period have been resolved. NorthStar has the exclusive right to classify call types according the definitions below.

In the event that the parties are not aligned on the issue priority designation related to P1 vs P2 issues, an escalation between NorthStar's PM and Santa Clara's PM will be scheduled before the end of the following business day.

Call Type	Definition
Priority 1 – Urgent or High Priority	<ul> <li>System Down (Software Application, Hardware, Operating System, Database)</li> <li>Impacts Critical Business Function without a workaround</li> <li>Performance issues of severe nature impacting critical processes.</li> </ul>
Priority 2 – Medium Priority	<ul> <li>System errors that have workarounds</li> <li>Impact to business function is not critical:</li> <li>Performance issues not impacting critical processes</li> <li>Usability issues</li> <li>Workstation connectivity issues (Workstation specific)</li> </ul>
Priority 3 – Low Priority	Minimal or no impact to critical business function     Report formatting issues

- Training questions, how to, or implementing new processes
- Aesthetic issues
- · Issues with workarounds for large majority of accounts
- · Recommendations for enhancements on system changes
- Questions on documentation

#### 2.2 Areas Out of Scope

Anything in this section and not listed in the above "Areas within Scope" is considered out of scope for this SOW. Specific items that are currently out of scope of this project include:

Adding any new APIs that have not been identified in the SEW Integration Discovery.

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

#### 3 ESTIMATED TIMELINE

The estimated duration of this project is approximately 5 months upon commencement of project work. Project start dates are assigned at the earliest available period upon receipt of fully executed contracts. The possibility and feasibility of a reduced duration will be evaluated during the Customer Preparation phase as it will depend on availability of resources and involvement of Santa Clara and SEW. Adherence to the project plan and timeline is critical. NorthStar will prepare a formal project plan and timeline. Santa Clara will review, provide comments on, and provide NorthStar with approval of the project plan and timeline.

Timeline	Phase Activities
Month 1	<ul> <li>Project Kick Off</li> <li>NorthStar Integration Design</li> <li>NorthStar Data Migration Script Development</li> </ul>
Month 2	<ul> <li>Initial Data Refresh of non-production instance</li> <li>NorthStar Data Migration Script Development &amp; Deployment</li> <li>Data Migration Validation Testing</li> <li>SEW Development Support</li> </ul>
Month 3	<ul> <li>SEW Development Support</li> <li>Second Data Refresh of non-production instance</li> <li>User Acceptance Testing</li> </ul>
Month 4	<ul> <li>User Acceptance Testing</li> <li>Go LIVE Preparation</li> <li>Go LIVE Data Migration</li> <li>Post Go LIVE Support</li> </ul>
Month 5	Post Go LIVE Support

There are a number of factors to be considered that will have an associated un-planned increase in effort and will therefore impact the project schedule. These factors are typically not determined until project kick-off and will be a key input into the final Go LIVE date and may result in additional cost. NorthStar will notify Santa Clara of any increase in effort and will provide Santa Clara with a Change Order according to section 4 Change Management Process. These factors include:

#### Project Resourcing:

 In the event that Santa Clara staff is unable to be dedicated to the agreed upon project plan, resulting in an extension of the timeline, NorthStar will evaluate the need for a Change Order for additional Project Management and dedicated support services to extend the project timeframe.

#### 4 CHANGE MANAGEMENT PROCESS

NorthStar will maintain the SOW with formal documentation denoting agreed upon changes. Santa Clara and NorthStar may propose changes to this SOW addressing services falling outside the scope of services described in this SOW ("Change"). The Change Order form must be used for all change requests. NorthStar shall have no obligation to commence work in connection with any change until the fee and schedule impact of the change is agreed upon in a written Change Order form signed by the designated representatives from both parties.

Upon identifying the need for a change, NorthStar shall submit the change on our standard Change Order form describing the change, including the impact of the change on the schedule, fees and expenses.

Within 5 consecutive business days of receipt of the change order form, Customer shall either indicate acceptance or rejection of the proposed change by signing the Change Order form or any other period of time mutually agreed to by the parties. If NorthStar is advised not to perform the change, then NorthStar shall proceed only with the original services. In the absence of Customer acceptance or rejection of the Change Order, NorthStar will not perform the proposed change.

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

#### 5 FEES & PAYMENT SCHEDULE

#### 5.1 Fees

NorthStar shall perform the services set forth herein on a firm fixed cost basis as set forth in this SOW.

NorthStar SEW Integration Implementation		
Licenses	***************************************	Maintenance*
REST API Enterprise License for SEW Integration	\$67,410	\$16,900
Professional Services		
<ul> <li>- Project Management</li> <li>- Design &amp; Development</li> <li>- Installation &amp; Configuration</li> <li>- Acceptance Testing Support</li> <li>- Go LIVE Cut Over</li> <li>- Post LIVE Support</li> </ul>	\$97,020	-
Technology, Communication, Administration	\$8,221	-
Project Total	\$172,651	\$16,900

<sup>\*</sup>Maintenance is in addition to annual reoccurring fees.

#### 5.2 Payment Schedule

Any mutually agreed upon change controls will be billed at \$220/hour when incurred. An additional amount equal of 5% of the total fees billed has been included in the fee charged to cover technology, communication and administrative costs. Price excludes any applicable taxes.

The NorthStar fees for the scope of services described in this Statement of Work, including the 5% technology, communication and administrative fee, is \$172,651 USD based on fixed price plus any travel and logistics (T&L) which may be required.

#### Licenses

1. 100% upon provision to the City

#### Services

- 2. 40% on delivery of data migration scripts within Santa Clara's non-production environment (referenced in 2.1.3.1)
- 3. 40% on delivery of data files (referenced in 2.1.3.1)
- 4. 15% on Go LIVE of data migration to production environment (referenced in 2.1.8)
- 5. 5% on Implementation Project Acceptance (referenced in 2.1.8)

#### \* Maintenance:

• 100% is due 30 days after software installation to non-production environment.

NorthStar will prorate the maintenance based on Santa Clara's maintenance renewal term.

Invoices are payable upon receipt.

Quote is valid for 60 days from date of delivery. After 60 days the quote will be considered expired and would need to be reassessed and re-quoted if still required.

#### 5.3 Travel and Living Expenses

The above mentioned fees do not include any travel and per diem expenses incurred for on-site visits required for this project.

Any travel time will be billed at \$75/hour. Santa Clara shall also pay or reimburse travel expenses plus a per diem reasonably incurred in furtherance of NorthStar duties hereunder.

#### 6 TERMINATION

Termination of this SOW is pursuant to the Agreement between the parties entered into on or about 12/07/2017.

Under no circumstances shall NorthStar be liable for any special, indirect, consequential, punitive or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work, even if NorthStar has been advised of the possibility of such damages. In any event, NorthStar shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by NorthStar under this statement of work.

#### 7 PROJECT ASSUMPTIONS

The services, fees and delivery schedule for this project are based upon the following assumptions:

• Any items not explicitly identified within this document are considered out of scope. Any changes to those responsibilities and/or deliverables will be considered a change in scope for the project. Any proposed change to the project scope must be put into written format and be submitted to NorthStar during this project for review and consideration.

- This project currently has, and will continue to have, the support of senior Santa Clara management and will be assigned sufficient priority with respect to other projects to ensure its success.
- Santa Clara will assign a project lead to act as an internal resource and guide throughout this project.
- Santa Clara will secure the appropriate staff in a timely fashion in order to discuss or review the various materials produced when required. It is expected that the individuals involved will have experience in Santa Clara's day-to-day operations and will work closely with the NorthStar Consultants to resolve issues as required. The main purpose of this interaction is to provide a quick and consistent response to procedural issues.
- Santa Clara will provide access and support from the IT group and any other stakeholder, as deemed necessary by NorthStar throughout this project.
- Santa Clara agrees to facilitate any required corporate logistics for the fulfillment of this agreement.
- Santa Clara will provide the appropriate remote access to its network, facilities, and systems as may be required to perform activities from one of NorthStar's locations. NorthStar shall abide by all rules and directions of Santa Clara when accessing the Santa Clara's network, facilities or systems.
- NorthStar will require local administrator rights or root access to the NorthStar servers throughout the integration project.
- Santa Clara will provide a training room complete with workstations for their staff for any required NorthStar onsite activity. This is to allow the NorthStar Consultant and Santa Clara Team members to focus on the implementation activity without any external interruptions.
- All documentation provided by Santa Clara shall be up-to-date and accurate or if that is not the case, advise NorthStar as such.
- All hardware, software, and network components supplied by Santa Clara are working properly and are free of defects and will meet minimum hardware standards provided during the project.
- Ensure all third-party software and hardware products are performing correctly in Santa Clara's environment, in accordance with the appropriate third-party vendor's specifications.
- To minimize project costs, majority of project work will be performed at one of the NorthStar's locations except for project activities where face-to-face is deemed more effective.
- Price does not include Santa Clara approved travel and living expenses that may be required as part of the delivery of the project. (i.e. air fare, car rental, gas, per diem and hotel) NorthStar will work with Santa Clara to identify most cost-effective accommodations for Santa Clara's onsite activities that are mutually agreed upon.
- Price for this proposal is based upon Santa Clara obtaining all hardware and associated operating/database systems.

- The number and complexity of the custom modifications included in Santa Clara's current system must be fully assessed before the project schedule can be finalized as this will affect the effort in the User Acceptance Testing phase. This assessment will take place during the Implementation Preparation phase of the project.
- Ensure Santa Clara data provided is complete and clean. It is Santa Clara's responsibility to clean data if deemed required due to the identification of inaccurate entries.
- All data refreshes will be performed during regular business hours, 8:00 a.m.-5:00 p.m. EST.
- Santa Clara is responsible for preparing the underlying IT infrastructure (hardware installation, operating system, and network connectivity) and supplying the required servers based on the minimum server specifications. This must be in-place per agreed upon project plan.
- Santa Clara is responsible to provide the Testing and Production environment.

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

#### 8 DOCUMENT ACCEPTANCE AND SIGNOFF

Please sign and return this to Pav Sekhon at PSekhon@harriscomputer.com.

### FIRST REVISED EXHIBIT B FEE SCHEDULE

#### 1. MAXIMUM COMPENSATION

Contractor shall bill at the rates and upon the schedules set forth in the three "Statement of Work" documents attached to Exhibit A, and such payment are expressly subject to section 34 of the Agreement, entitled "Retention."

In no event shall the amount billed to City by Contractor for services under this Agreement exceed Four Hundred Sixty-Six Thousand One Hundred Ninety-Nine Dollars (466,199), subject to budget appropriations.

Statement of Work	Total
Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1	\$230,055
"Statement of Work, City of Sant Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1.	\$46,593
Statement of Work for Smart Energy Water Integration" dated July 13, 2020 version 1.5.	\$189,551
Maximum Compensation	\$466,199

Amendment No. 2 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

## AMENDMENT NO. 3 TO THE AGREEMENT FOR PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND N. HARRIS COMPUTER CORPORATION

#### PREAMBLE

This amendment ("Amendment No. 3") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and N. Harris Computer Corporation, a Canadian corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties."

#### **RECITALS**

- A. The Parties previously entered into an agreement entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and NorthStar Utilities Solutions", dated December 7, 2017 (Agreement) for the purpose of having Contractor provide professional services and software related to the NorthStar Customer Information System; and
- B. The Agreement was amended by Amendment No. 1, dated December 1, 2020, and Amendment No. 2, dated December 16, 2020. The agreement as amended by all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties now wish to amend the Agreement as Amended to extend the term to December 31, 2025.

NOW, THEREFORE, the Parties agree as follows:

#### **AMENDMENT TERMS AND CONDITIONS**

1. Section 5 of the Agreement as Amended, entitled "Term of Agreement", is amended to read as follows:

"Unless otherwise set forth in this Agreement or unless this paragraph is subsequently modified by a written amendment to this Agreement, the term of this Agreement shall begin on the Effective Date of this Agreement and terminate on December 31, 2025."

2. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of

Amendment No. 3 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

the Agreement as Amended and this Amendment No. 3, the provisions of this Amendment No. 3 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 3 as evidenced by the following signatures of their duly authorized representatives.

#### CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated: 1 / 2 / 29
Daniel Ballin Digitally signed by D Date: 2023.12.19 16	aniel Ballin :27;30 -08'00'
GLEN R. GOOGINS City Attorney	JOVAN D. GROGAN City Manager City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050 Telephone: (408) 615-2210 Fax: (408) 241-6771
N. HAR	RIS COMPUTER CORPORATION  a Canadian corporation
Dated:	12/12/23
By (Signature): Name:	Jerry Rahon Jerry Rahon
	Vice President, Sales & Marketing
Principal Place of	

Business Address: 1 Antares Dr., Nepean, ON, K2E 8C4 Canada

"CONTRACTOR"

Email Address: jrahon@harriscomputer.com

Telephone: (714) 335-9700

## AMENDMENT NO. 4 TO THE AGREEMENT FOR THE PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND N. HARRIS COMPUTER CORPORATION

#### **PREAMBLE**

This agreement ("Amendment No. 4") is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and N. Harris Computer Corporation, a Canadian corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties."

#### **RECITALS**

- A. The Parties previously entered into an agreement, entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and Northstar Utilities Solutions", dated December 7, 2017 (Agreement) for the purpose of having Contractor provide professional services and software related to the Northstar Customer Information System;
- B. The Agreement was previously amended by Amendment No. 1, dated December 1, 2020, Amendment No. 2, dated December 16, 2020, and Amendment No. 3, dated January 1, 2024. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended"; and
- C. The Parties now wish to amend the Agreement as Amended to increase the maximum compensation for additional work related to the integration of the utility billing system with Siemens Energy IP to facilitate Advanced Metering Infrastructure (AMI).

NOW, THEREFORE, the Parties agree as follows:

#### **AMENDMENT TERMS AND CONDITIONS**

- 1. First Revised Exhibit A of the Agreement as Amended, entitled "Scope of Services," is hereby replaced with Second Revised Exhibit A, attached hereto and incorporated into the Agreement as Amended.
- 2. First Revised Exhibit B of the Agreement as Amended, entitled "Fee Schedule", is hereby deleted in its entirety and replaced with Second Revised Exhibit B, attached hereto and incorporated into the Agreement as Amended.
- 3. The Agreement as Amended is hereby amended by adding Exhibit E, entitled "Task Order Form," attached hereto and incorporated into the Agreement as Amended.
- 4. Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 4, the provisions of this Amendment No. 4 shall control.

Amendment No. 4 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

The Parties acknowledge and accept the terms and conditions of this Amendment No. 4 as evidenced by the following signatures of their duly authorized representatives.

## CITY OF SANTA CLARA, CALIFORNIA

a chartered California municipal corporation

Approved as to Form:	Dated: 5/1/24
all	2012
GLEN R. GOOGINS	JŌVAN D. GROGAN
City Attorney	City Manager
	City of Santa Clara
	1500 Warburton Avenue
	Santa Clara, CA 95050
	Telephone: (408) 615-2210
	Fax: (408) 241-6771
	"CITY"
N HAD	DIS COMPLITED CORPORATION
N. HAR	RIS COMPUTER CORPORATION  a Canadian corporation
Dated:	03.15.2024
By (Signature):	Jerry Rahon
Name:	Jerry Rahon
Title:	VP, Sales & Marketing
Principal Place of	
Business Address:	(to be filled in by City staff)
Email Address:	jrahon@harriscomputer.com
Telephone:	( ) 714-335-9700

# SECOND REVISED EXHIBIT A SCOPE OF SERVICES

The Services to be performed for the City by the Contractor under this Agreement are more fully described in the Statements of Work referenced below. These statements of work are hereby incorporated into this Second Revised Exhibit A.

- 1. "Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1, attached and incorporated into the Agreement executed on December 7, 2017;
- "Statement of Work, City of Sant Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1, attached and incorporated into the Agreement executed on December 7, 2017;
- 3. "Statement of Work: City of Santa Clara, Smart Energy Water Integration" dated July 13, 2020, version 1.5, attached and incorporated into Amendment No. 2; and
- 4. "Statement of Work: Discovery Engagement to Discuss and Redesign the Energy IP (EIP) Integration" dated March 1, 2024, attached and incorporated into this Amendment No. 4.

# STATEMENT OF WORK: DISCOVERY ENGAGEMENT TO DISCUSS AND REDESIGN THE ENERGY IP (EIP) INTEGRATION

Date: March 1, 2024Support Call: 2078639Customer: City of Santa ClaraDepartment: NS-PSAttention: Tim LynchFixed Price: \$10,857

<u>Services Description:</u> City of Santa Clara ("Santa Clara") has requested a Discovery engagement to discuss and redesign the Energy IP ("EIP") integration. The objective of the discovery will be to identify and evaluate the business and technical parameters that are necessary to achieve the integration of EIP with the Customer Information System (CIS) including planned upgrades to the CIS.

The purpose of the discovery will be to engage in meaningful conversation, deliberation and discussion that will help guide a path forward to set technical and business parameters which will be developed and documented.

This engagement will include but not be limited to:

- Reviewing the business requirements, exploration on the optional methods available to Santa Clara to move forward with post discovery, discussion on the possible pros and cons of different methods and document what possible technical paradigms that may exist, costs and timelines for the potential options.
- Defining the business rules for processing information coming from Santa Clara's EIP system
- Defining the interaction points between Santa Clara's EIP system and the CIS
- Defining the communication interface between Santa Clara's EIP system and the CIS
- This Discovery engagement will involve remote meetings with a NorthStar Project Manager and Solution Architect and involve power users and/or managers from Santa Clara.

#### Scope of Work:

- Participate in technical meetings with Santa Clara, and EIP team to understand technical requirements and explore possible options to meet integration requirements
- Review current Java Message Service (JMS) based integration to meet new requirements
- Discuss and confirm an approach method for migrating the current integration
- Review current integration to understand effort to make necessary changes to support the decided approach
- Deliverable: Present EIP integration design recommendation and level of effort to Santa Clara for costing and signoff.

Amendment No. 4 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

 Consultant shall provide schedule, and status updates on Services performed during the Term.

#### Assumptions:

- Santa Clara will ensure the appropriate staff is available to work with NorthStar
  resources remotely. It is expected that the individuals identified will have experience in
  the day-to-day operations and will work closely with the consultants to resolve issues,
  requests or questions as required and will be actively engaged in the discovery process.
- Quote is based on a standard 8-hour workday. If there are any changes to the hours required, scope or our understanding of the scope, the price is subject to change.
- Additional follow up or support for remote activities once site visit is complete will be submitted for approval pursuant to the terms under Additional Services in this Scope of Work.
- The consultants will work remotely and virtually with Santa Clara and will have ready
  access to appropriate personnel in the user departments and to the technical
  documentation associated with the systems.

#### Acceptance Terms:

Except as otherwise expressly set forth herein, this SOW is governed by the terms and conditions of Santa Clara and NorthStar Master Services Agreement dated August 22, 2017.

The work contained within this document is deemed completed and accepted once remote activity is completed and the Discovery document has been received by Santa Clara.

#### Price:

This is a fixed price quote of \$10,857 based on the scope described above. If there are material changes to the scope, the price is subject to change.

Any additional scope will be submitted for authorization pursuant to the Additional Services section below and charged at a rate of \$235/hr.

Price excludes any applicable taxes.

#### Payment Terms:

Contractor will invoice payment milestones as follows:

- 60% on Effective Date (Deposit)
- · 25% on delivery of remote Discovery Review
- 15% on delivery of Discovery Document

Invoices are due within 30 days of the receipt of invoice. Contractor will not initiate any work until the Deposit is received.

Amendment No. 4 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

#### Termination:

The City may terminate this scope of work with ten (10) days prior written notice to NorthStar. In such event, NorthStar shall have no further rights hereunder, except that NorthStar shall be paid for all Services adequately rendered prior to such termination.

#### Additional Services:

Any other services identified during the discovery shall be at additional cost. The City has set aside the amount of \$60,000 for such additional services associated with this scope of work. For additional services associated with this project, Contractor shall submit a scope of work in substantially the same format as Exhibit E. If approved by City, additional services that do not exceed \$60,000 will be authorized by a written Task Order in substantially the same format as Exhibit E. Additional services that exceed \$60,000 will require an amendment to this Agreement in advance of initiating work.

# SECOND REVISED EXHIBIT B FEE SCHEDULE

#### 1. MAXIMUM COMPENSATION

Contractor shall bill at the rates and upon the schedules set forth in the three "Statement of Work" documents attached to Second Revised Exhibit A, and such payment are expressly subject to section 34 of the Agreement, entitled "Retention."

In no event shall the amount billed to City by Contractor for services under this Agreement exceed Five Hundred Thirty-Seven Thousand and Fifty-Six Dollars (\$537,056), subject to budget appropriations.

Statement of Work	Total
Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1	\$230,055
"Statement of Work, City of Sant Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1.	\$46,593
Statement of Work for Smart Energy Water Integration" dated July 13, 2020 version 1.5.	\$189,551
Statement of Work: Discovery Engagement to Discuss and Redesign the Energy IP (EIP) Integration	\$70,857
\$10,857 Authorized by this Amendment No. 4	
Up to \$60,000 may be authorized using Task Order as specified in Amendment No. 4	
Maximum Compensation	\$537,056

# EXHIBIT E TASK ORDER FORM

[TITLE]	
Date: Customer: City of Santa Clara Attention: Tim Lynch	Support Call: Department: Not to Exceed Price:
Services Description:	
Scope of Work:	
Approach:	
<u>Assumptions</u> :	
Acceptance Terms:	
Except as otherwise expressly set forth herein, this SOW conditions of Santa Clara and NorthStar Master Services	
<u>Price:</u>	
Payment Terms:	
Payment milestones to be invoiced as follows:	
Termination:	
Additional Services:	



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

## Agenda Report

24-168 Agenda Date: 3/19/2024

#### REPORT TO COUNCIL

#### SUBJECT

Authorize City Manager to Negotiate and Execute Amendment No. 4 to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System for Silicon Valley Power

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

After a highly competitive process in 1998, the City of Santa Clara selected Harris Computer Corporation (Harris) to provide NorthStar Customer Information System (NorthStar CIS) as the City's utility billing system. The NorthStar CIS is a citywide, integrated, comprehensive customer service solution. It is the backbone of the customer billing ecosystem with ten user applications operating on the platform to enable seamless integration between meter reading, service orders, meter data management, generation of utility bills, collection of various payment channels, and customer service delivery channels including, a call center and on-line self-service web portal. The NorthStar CIS also enables customers to turn on and off their utility services as well as perform other service-related activities.

On September 26, 2017, City Council authorized the City Manager to execute an agreement with Harris to upgrade the NorthStar CIS system from version 6.3 to version 6.4 with a maximum compensation of \$276,648.

On November 10, 2020, City Council authorized the City Manager to execute Amendment No. 1 to extend the term of the Agreement through December 31, 2023, with no change to the maximum compensation of \$276,648, and authorized the City Manager to negotiate and execute future amendments to the agreement with N. Harris Computer Corporation for additional work related to the Smart Energy Water (SEW) project and change of banking services and extend the term, if required, to complete the additional work.

On December 16, 2020, the City executed Amendment No. 2 to increase compensation by \$189,551 for a revised maximum compensation not to exceed \$466,199, for additional work related to the Statement of Work: Smart Energy Water Integration.

In January 2024, the City executed Amendment No. 3 to extend the term through December 31, 2025, to complete the customer self-service portal project.

#### DISCUSSION

Silicon Valley Power (SVP) is updating its meter data management system. Once the updates are complete, SVP will be able to export 15-minute meter data to other systems, significantly reducing

24-168 Agenda Date: 3/19/2024

staff time to troubleshoot system communications issues, and better support customer service activities relating to energy usage. Other benefits include use of current and supported technology stacks, reduced staff time for upgrades, and improved dynamic reporting to further find efficiencies in workflows.

To complete the work, SVP will need to upgrade the Honeywell NetSense System (Data Collection), Siemens EnergyIP (EIP) System (Data Management), and the NorthStar CIS. Staff is working with all the vendors and is ready to proceed with the work and contract amendment with Harris.

The proposed work with Harris will proceed in a two-step process. The first step will be a discovery process to identify and evaluate the business and technical parameters that are necessary to achieve the integration of EIP with the NorthStar CIS, including planned upgrades. The second step will be to perform any additional work identified during the discovery process.

The cost of the discovery scope is \$10,857, however, staff is also requesting authorization for an additional \$60,000 for any work identified during the discovery phase. If the additional cost is expected to exceed \$60,000, staff will return to City Council for further authorization. Staff recommends authorization for the City Manager to negotiate and execute Amendment No. 4 to add additional scope and funding for required SVP services to implement needed upgrades. The proposed scope of work includes a task order process to cover additional identified work under the terms of the amendment.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to section 15378 (b)(5) of Title 14 of the California Code of Regulations in that it is an administrative activity that will not result in direct or indirect physical changes in the potential significant impact on the environment.

#### FISCAL IMPACT

The proposed Amendment No. 4 adds \$70,857 (funded by SVP) to the contract and increases the maximum compensation from \$466,199 to \$537,056. Funding for Amendment No. 4 is available in the SVP Operating Budget.

#### COORDINATION

This report has been coordinated with the City Attorney's Office, Finance Department, and the Information Technology Department.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a> <a href="mail

#### **RECOMMENDATION**

1. Authorize the City Manager or designee to (1) negotiate and execute Amendment No. 4 to the Agreement with N. Harris Computer Corporation for the NorthStar Customer Information System (NorthStar CIS) Utility Billing System to modify the scope of services and increase the maximum

24-168 Agenda Date: 3/19/2024

compensation by \$70,857 from \$466,199 to \$537,056, subject to the review and approval as to form by the City Attorney; and

2. Authorize the City Manager or designee to take any actions necessary to implement and administer the Agreement as amended.

Reviewed by: Manuel Pineda Chief Electric Utility Officer

Approved by: Jovan Grogan, City Manager

#### **ATTACHMENTS**

- 1. Scope of Work for Discovery (part of Amendment No. 4)
- 2. Amendment No. 3
- 3. Amendment No. 2
- 4. Amendment No. 1
- 5. 2017 Harris Agreement

Ebix Insurance No. S200002211

# AMENDMENT NO. 5 TO THE AGREEMENT FOR THE PERFORMANCE OF SERVICES BETWEEN THE CITY OF SANTA CLARA, CALIFORNIA, AND N. HARRIS COMPUTER CORPORATION

#### **PREAMBLE**

This agreement (Amendment No. 5) is entered into between the City of Santa Clara, California, a chartered California municipal corporation (City) and N. Harris Computer Corporation, a Canadian corporation (Contractor). City and Contractor may be referred to individually as a "Party" or collectively as the "Parties."

#### **RECITALS**

- A. The Parties previously entered into an agreement, entitled "Agreement for the Performance of Services by and between the City of Santa Clara, California, and Northstar Utilities Solutions', dated December 7, 2017 (Agreement) for the purpose of having Contractor provide professional services and software related to the Northstar Customer Information System;
- B. The Agreement was previously amended by Amendment No. 1, dated December 1, 2020, Amendment No. 2, dated December 16, 2020, Amendment No. 3, dated January 2, 2024, and Amendment No. 4, dated May 1, 2024. The Agreement and all previous amendments are collectively referred to herein as the "Agreement as Amended'; and
- C. The Parties now wish to amend the Agreement as Amended to increase the maximum compensation by \$112,174 for a revised not-to-exceed amount of \$649,230 for additional work supporting the NorthStar CIS migration and upgrade project.

NOW, THEREFORE, the Parties agree as follows:

#### **AMENDMENT TERMS AND CONDITIONS**

- Second Revised Exhibit A of the Agreement as Amended, entitled "Scope of Services", is hereby replaced with Third Revised Exhibit A, attached hereto and incorporated into the Agreement as Amended.
- Second Revised Exhibit B of the Agreement as Amended, entitled "Fee Schedule", is hereby deleted in its entirety and replaced with Third Revised Exhibit B, attached hereto and incorporated into the Agreement as Amended.

 Except as set forth herein, all other terms and conditions of the Agreement as Amended shall remain in full force and effect. In case of a conflict in the terms of the Agreement as Amended and this Amendment No. 5 the provisions of this Amendment No. 5 shall control.

The Parties acknowledge and accept the terms and conditions of this Amendment No. 5 as evidenced by the following signatures of their duly authorized representatives.

#### **CITY OF SANTA CLARA, CALIFORNIA**

a chartered California municipal corporation

"CITY"

#### N. HARRIS COMPUTER CORPORATION

A Canadian corporation

Dated:	5/1/2025   3:39 PM PDT	
	Signed by:	
By (Signature):	John Becconsall	
	John Becconsall	
Title:	VP, Sales & Marketing	
Principal Place of	1 Antaras Dr. Ottowa ON	
	1 Antares Dr., Ottawa, ON	
Email Address:	JBecconsall@harriscomputer.com	
Telephone:	1 404-307-4077	
Fax:		
	"CONTRACTOR"	

Amendment No. 5 to Agreement/N. Harris Computer Corporation Rev. 10/25/2019

# THIRD REVISED EXHIBIT A SCOPE OF SERVICES

The Services to be performed for the City by the Contractor under this Agreement are more fully described in the Statements of Work referenced below. These statements of work are hereby incorporated into this Third Revised Exhibit A.

- 1. "Statement of Work, City of Santa Clara, Northstar Version 6.4 Upgrade" dated August 17, 2017, version 2.1, attached and incorporated into the Agreement executed on December 7, 2017;
- 2. "Statement of Work, City of Santa Clara, Core Automation Suite Subscription" dated August 17, 2017, version 2.1, attached and incorporated into the Agreement executed on December 7, 2017;
- 3. "Statement of Work: City of Santa Clara, Smart Energy Water Integration" dated July 13, 2020, version 1.5, attached and incorporated into Amendment No. 2;
- 4. "Statement of Work: Discovery Engagement to Discuss and Redesign the Energy IP (EIP)" dated March 1, 2024, attached and incorporated into Amendment No. 4; and
- 5. "Statement of Work: Northstar CIS and Add Ons Migration (On Premise), Archive Purge" dated December 20, 2024, attached and incorporated into this Amendment No. 5.

# THIRD REVISED EXHIBIT B FEE SCHEDULE

#### 1. MAXIMUM COMPENSATION

Contractor shall bill at the rates and upon the schedules set forth in the five "Statements of Work" documents attached to Third Revised Exhibit A, and such payments are expressly subject to Section 34 of the Agreement, entitled "Retention".

In no event shall the amount billed to the City by Contractor for services under this Agreement exceed Six Hundred Forty-Nine Thousand Two Hundred Thirty Dollars (\$649,230), subject to budget appropriations.

Statement of Work	Total
Statement of Work, City of Santa Clara, Northstar Version 6.4	\$230,055
Upgrade, dated August 17, 2017, version 2.1	
Statement of Work, City of Santa Clara, Core Automation Suite	\$46,593
Subscription, dated August 17, 2017, version 2.1	
Statement of Work for Smart Energy Water Integration, dated July 13,	\$189,551
2020 version 1.5	
Statement of Work: Discovery Engagement to Discuss and Redesign	\$70,857
the Energy IP (EIP) Integration	
\$10,857 Authorized by Amendment No. 4	
Up to \$60,000 may be authorized using Task Order as specified in	
Amendment No. 4	
Statement of Work: Northstar CIS and Add Ons Migration (On	\$112,174
Premise), Archive Purge	
Maximum Compensation	\$649,230

# NORTH|STAR™ UTILITIES SOLUTIONS

# Statement of Work: NorthStar CIS and Add Ons Migration (On Premise), Archive Purge City of Santa Clara, CA

December 20, 2024

#### **Revision Control**

Document Title: Santa Clara - NorthStar CIS Migration

Version	Date Y-M-D	Author	Details / Comments
1	2024-09-05	Andrea Evans	Initial version of the document.
2	2024-10-18	A. Evans	Revisions from Santa Clara Review:
			Added UAT and post go live support, 1
			extra database refresh, fit gap noted,
			training section added, included CC2 now
			as migrating to new servers, updated
			pricing, added discovery workshop, added
			Archive
			Purge scope and level of effort
3	2024-11-21	A. Evans	Revisions
4	2024-12-05	A. Evans	Verbiage updates
5		A. Evans	Final Sow reviewed with Luis + Gill Dec.
			17 2024
6	2025-01-27	A. Evans	Draft revisions with SC amendment cover
			and edits, pricing updated for 45 UAT

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	Introduction Objective Service Description Areas within Scope Areas Out of Scope Estimated Timeline. Change Management Process Fees & Payment Schedule Fees Payment Schedule Travel and Living Expenses Termination Project Assumptions Document Acceptance and Signoff Appendix A - Hardware & Software Specifications

#### 1 Introduction

City of Santa Clara, hereafter referred to as "Santa Clara", will be migrating the NorthStar CIS, mCare legacy, RAW, CustomerConnect2 and specified add ons from the current OS and database 2012 environments to new Windows 2022 servers and the latest SQL server databases. Santa Clara will be updating the CIS to the most recent software release 6.X.X as part of the migration project. Reports Anywhere will also be updated as a part of this project with overview training, and an additional four weeks of user acceptance testing has been reflected in the level of effort of the project, as well as 1 additional data refresh and additional post go-live support. An archive and purge process has also been incorporated into this project.

Santa Clara will be engaging NorthStar Utilities Solutions, an unincorporated division of N. Harris Computer Corporation ("NorthStar") to assist with the migration to a new environment.

The purpose of this document is to provide information on the scope of work and level of effort associated with NorthStar's involvement with the NorthStar CIS migration.

# 1.1 Objective

This Statement of Work (SOW) defines the work to be performed by NorthStar, an unincorporated division of N. Harris Computer Corporation, for the NorthStar migration project. This SOW includes a high-level timeline, fees, and other terms and conditions specific to the services requested by Santa Clara. Any additional requests for services that are not defined within this SOW will result in change orders with applicable fees.

Changes to this document shall be made through a change management process as described later in this SOW.

## 2 Service Description

# 2.1 Areas within Scope

#### 2.1.1 Migration Scope

#### All migration activities to be performed remotely, unless otherwise requested.

The scope of this statement of work is to migrate Santa Clara's NorthStar CIS and add on applications from the current 2012 servers to new 2022 servers. NorthStar will also be updating the CIS to the latest release level at the time of migration 6.X. The version release will be verified by the NorthStar Professional Services team during kickoff with Santa Clara.

NorthStar applications to be ported to the new Santa Clara environment include:

- NorthStar CIS Production, Test and Dev Environments
- CustomerConnect2
- mCare Legacy (mCare)
- Reports Anywhere (RAW)
- Executive Information System (EIS)
- Meter Exchange (MEX)
- Rest API
- Automation Platform (AP core)

#### Migration Notes:

- Additional effort has been added to this project for NorthStar to preserve all efforts to-date in Santa Clara's DEV environment that affect their SEW portal.
- Existing Santa Clara production Servers are:

VSRVPRDNSAP03 (NS Application Server)

VSRVPRDNSMC03 (Mcare)

VSRVPRDNSRA03 (Reports Anywhere)

VSRVPRDNSCC03 (Customer Connect)

#### 2.1.2 Migration Approach

A NorthStar Project Manager (PM) will be the primary point of contact for Santa Clara on the NorthStar CIS migration. The PM has the overall accountability to successfully deliver the services required for a successful migration and software update within agreed upon timeframe and budget. The project team will directly report to the PM and the PM will have the authority and support to manage the project team in the best interest of the project. The PM is also accountable for the following high-level project activities:

- Interface with Santa Clara assigned PM.
- Conduct regular internal project meetings to ensure that all aspects of the project are understood by the team and that progress and risks are properly reported.

- Conduct regular project meetings with Santa Clara and provide regular status reports throughout the migration project.
- Review of project status, schedule, risks, resources as well as any other issues that may affect the success the project.

# 2.1.3 Additional Discovery Workshop on Custom Modifications and Automation Platform Workflows

- NorthStar and Santa Clara will engage in a discovery workshop to identify custom modifications and current automation platform workflows.
- The intent of this discovery is to confirm what workflows and custom modifications will be included in the migration project, and identify any that may be out of scope, at risk, or are no longer compatible with the upgrade.
- At this time NorthStar cannot guarantee that every current customization or workflow will be compatible and included in the migration project.

#### 2.1.4 NorthStar CIS, EIS, DEV, mCare, CustomerConnect2 (CC2) and Cognos Installation

- Backup the NorthStar CIS, mCare, CustomerConnect2 and Cognos databases from the existing production servers.
- Restore backup and configure database access to new NorthStar servers.
- Install NorthStar CIS, CC2, Cognos, Meter Exchange, mCare Legacy, Executive Information System, Dev, Automation Platform Core applications, and REST API on new servers according to NorthStar 6.X CIS Software and Hardware specifications listed in Appendix A.
- Update applications and databases to NorthStar maintenance to latest release NorthStar CIS 6.X Release version to be determined with the NorthStar Project Manager.
- Install NorthStar Navs and configure access to NorthStar, EIS, RAW, CC2 & mCARe nonproduction instances.
- Perform installation sanity testing prior to turning the system over to Santa Clara for validation.

#### 2.1.5 NorthStar CIS Data Refreshes

NorthStar will perform 3 data refreshes throughout the migration project. The initial data
refresh will be included with the installation of NorthStar 6.X.X for UAT. The second data
refresh will be on mock cutover or UAT and the third will be performed upon Go LIVE
production cutover. Any requests for additional data refreshes will be considered at an
additional cost/schedule impact to the project.

#### 2.1.6 User Acceptance Testing

- Upon deployment and update of the NorthStar CIS into new environment, Santa Clara will
  have thirty (30) business days for acceptance testing, during which time, issues reported
  within the 30 days will be resolved at no charge provided they are part of the original scope
  of work. At that time the Go LIVE will be scheduled on agreement from Santa Clara.
- If a project delay is encountered due to external factors outside of NorthStar's control, and
  User Acceptance Testing needs to extend beyond the 30 business days window for UAT
  remediation testing NorthStar and Santa Clara will analyze the results of this external
  factor on the project timeline to determine if there is a need for a change request to reflect
  a substantial change to the project plan, budget, or timeline.

#### 2.1.7 Training

- Beginning of project: Fit gap to review feature and functionality changes
- 6.4 to 6.X overview training
- Reports Anywhere / Cognos overview training

#### 2.1.8 Go LIVE Cut Over Preparation

• NorthStar and Santa Clara will develop a full checklist of all cut over activities including timing and responsibilities.

#### 2.1.9 Go LIVE Cut Over

- Go LIVE cut over for will be performed over a single weekend. As this work must be performed over a weekend an after-hours premium applies to this service.
- Restore CIS and add on databases backup from production.
- Update the databases to CIS 6.X.X. in test and promote to production.
- Redirect mCare, CC2, EIS and RAW production server(s) to new NorthStar CIS Production environment upon Go LIVE.
- Provide up to 4 hours of dedicated testing support to Santa Clara during Go LIVE weekend.
- Redirect CC2 production server to new NorthStar CIS LIVE environment upon Go LIVE.

#### 2.1.10 Post LIVE

• Provide dedicated post LIVE support for forty-five business days after Go LIVE cut over prior to transition back to NorthStar Support Services.

- Install the NorthStar CIS, EIS, mCare, RAW and CustomerConnect2 applications on the new non-production servers.
- Backup the NorthStar CIS and add on databases from the new production servers.
- Restore backup and configure database access to new non-production server.
- Redirect NorthStar add ons non-production servers to new non-production servers.
- Install and configure EIS, Reports Anywhere, CustomerConnect2 and mCare add-on applications from the production to the non-production server.

#### 2.1.11 Archive & Purge

- Two archive purges are included. One in TEST, one in GO LIVE
- NorthStar to perform the first archive purge post migration.
- The archive purge would be completed and testing NorthStar will begin.
- Includes first archive purge, if any subsequent purges are required or requested these will be billed at an additional 10 hours each
- In the event a data related issue is encountered which would involve a code change, additional billable hours will be required.
- Create new SQL database for the 6.X Archive instance.
- Install archive and purge scripts developed for SQL Server.
- Run archive scripts against existing non-production instance.
- Provide Customer with pre & post archive reports for validation purposes.
- Provide testing support during Customer validation of data archive.
- Once archive process is complete run purge scripts against NorthStar Non-production.
- Provide Customer with pre and post purge reports for validation purposes.
- Provide testing support during Customer validation of data purge.
- Upon Customer approval run archive and purge scripts against NorthStar Production instance.

#### 2.1.12 Santa Clara Responsibilities

Following are the key responsibilities of Santa Clara under this agreement:

- Ensure that underlying infrastructure for NorthStar is acquired and installed by the required time per agreed upon project plan (Note: Minimum specifications for servers and workstations should be discussed and agreed upon at commencement of project.)
- Install server(s) with appropriate network connectivity.
- Install operating system and partition disk space.
- Install database software.
- Configure back up and maintenance routines for new database.
- Install Microsoft IIS.
- Create users at the operating system level.

- Ensure port 1433 has been enabled for communication with the database server.
- Configure peripheral devices (printers, scanners, cash drawers, etc.).
- Install VPN connection.
- Test hardware components and environment.
- Conduct migration testing.
- Ensure that Smart Energy Water (SEW) redirects their customer portal to the new CIS nonproduction environment

#### **Engagement Completion Criteria**

The Engagement is deemed completed once the NorthStar add ons have been deployed to the Santa Clara production environment for twenty business days and that any Priority 1 items raised during that period have been resolved. NorthStar has the exclusive right to classify call types according to the definitions below.

Call Type	Definition
Priority 1 – Urgent or High Priority	<ul> <li>System Down (Software Application, Hardware, Operating System, Database)</li> <li>Impacts Critical Business Function without a workaround</li> <li>Performance issues of severe nature impacting critical processes.</li> </ul>
Priority 2 – Medium Priority	<ul> <li>System errors that have workarounds</li> <li>Impact to business function is not critical:         <ul> <li>Performance issues not impacting critical processes</li> <li>Usability issues</li> </ul> </li> <li>Workstation connectivity issues (Workstation specific)</li> </ul>
Priority 3 – Low Priority	<ul> <li>Minimal or no impact to critical business function</li> <li>Report formatting issues</li> <li>Training questions, how to, or implementing new processes</li> <li>Aesthetic issues</li> <li>Issues with workarounds for large majority of accounts</li> <li>Recommendations for enhancements on system changes</li> <li>Questions on documentation</li> </ul>

# 2.2 Areas Out of Scope

Anything in this section and not listed in the above "Areas within Scope" is considered out of scope for this SOW. Specific items that are currently out of scope of this engagement include:

• Migrating any server and database related scheduled jobs or automated scheduled tasks.

# **3 ESTIMATED TIMELINE**

The estimated duration of this engagement is approximately 4-5 months.

Timeline	Activities
Month 1	<ul> <li>Santa Clara Environment Preparation</li> <li>Project Kick Off</li> <li>NorthStar CIS, mCare, CC2, RAW, EIS Installation &amp; Configuration</li> <li>NorthStar Internal Sanity Testing</li> </ul>
Month 2-4	Santa Clara Testing & Issues Remediation
Month 4-6	<ul> <li>Go LIVE Cut Over</li> <li>Go LIVE Cut Over</li> <li>Post LIVE Support</li> <li>Create CIS and add ons Non-Production Instances (Dev + Test)</li> <li>Transition to Support Services</li> <li>Archive Purge - TBC</li> </ul>

There are a number of factors to be considered that will have an associated un-planned increase in effort and will therefore impact the project schedule. These factors are typically not determined until project kick-off and will be a key input into the final Go LIVE date and may result in additional cost. NorthStar will notify Santa Clara of any increase in effort and will provide Santa Clara with a Change Order according to section 4 Change Management Process. These factors include:

#### Data:

- Data clean-up (if required) by Santa Clara.
- Amount of data consideration needs to be given to the amount of historical data required and how long it will take to obtain the data.

#### Peripherals:

- If Santa Clara has special print handling paper source, special commands, this will create additional effort.
- An increase or replacement of equipment with the migration (i.e. cash drawer).
- Project Resourcing:
  - In the event that Santa Clara staff is unable to be dedicated to the agreed upon project plan, resulting in an extension of the timeline, NorthStar will evaluate the need for a Change Order for additional Project Management and dedicated support services to extend the project timeframe.

## 4 CHANGE MANAGEMENT PROCESS

NorthStar will maintain the SOW with formal documentation denoting agreed upon changes. Santa Clara and NorthStar may propose changes to this SOW addressing services falling outside the scope of services described in this SOW ("Change"). The Change Order form must be used for all change requests. NorthStar shall have no obligation to commence work in connection with any change until the fee and schedule impact of the change is agreed upon in a written Change Order form signed by the designated representatives from both parties.

Upon identifying the need for a change, NorthStar shall submit the change on our standard Change Order form describing the change, including the impact of the change on the schedule, fees and expenses.

Within 5 consecutive business days of receipt of the change order form, Santa Clara shall either indicate acceptance or rejection of the proposed change by signing the Change Order form or any other period of time mutually agreed to by the parties. If NorthStar is advised not to perform the change, then NorthStar shall proceed only with the original services. In the absence of Santa Clara acceptance or rejection of the Change Order, NorthStar will not perform the proposed change.

## **5 FEES & PAYMENT SCHEDULE**

#### 5.1 Fees

CIS Update, On-Premise Migrations, Archive Purge	
Description	Pricing
Migration + Archive Purge - Professional Services:  - Project Management  - CIS, CC2, EIS, RAW, Dev, mCare Installation & Configuration  - CIS 6.X Update  - RAW version update and overview training  - CIS overview training on latest version and a fit gap on feature and functionality comparison 6.4 to 6.X  - Additional preservation of SEW setups in current TEST environment  - Additional workshop – custom mods and workflows  - Additional UAT time included – 45 days total  - 1 additional data refresh included  - Go LIVE Cut Over  - Post LIVE Support  - Archive and Purge  - Additional post Go Live support	\$112,174
Project Total	\$112,174

# **5.2 Payment Schedule**

The NorthStar fees for the scope of services described in this Statement of Work is \$112,174 USD based on fixed price plus any travel and logistics (T&L) which may be required. Any mutually agreed upon change controls will be billed at the standard NorthStar hourly rate at the time of delivery, 2025 hourly rates are \$250 (regular hours) or \$375 (overtime/after hours) when incurred. Price excludes any applicable taxes.

#### Services:

- 1. 25% upon completion of the Project Kick-Off meeting, to include Contractor's assigned Project Manager, and delivery of a detailed project schedule (\$28,044).
- 2. 25% due on software installed within Santa Clara's non-production environment (\$28,043)
- 3. 25% upon completion of fit gap and overview 6.4 to 6.X.X workshop (as referenced in 2.1.7) (\$28,044)
- 10% due upon software deployment to TEST for User Acceptance Testing and completion of the first included Archive and Purge process (as referenced in 2.1.6 & 2.1.11) (\$11,217)
- 5. 10% due upon completion of Go LIVE tasks and the second included Archive and Purge process (as referenced in 2.1.9 & 2.1.11) with successful cutover. (\$11,217)
- 6. 5% due upon 45 business days after going LIVE (as referenced in 2.1.10) (\$5,609)

Invoices are payable upon receipt.

Quote is valid for 60 days from date of delivery.

After 60 days the quote will be considered expired and would need to be reassessed and requoted if still required.

## 5.3 Travel and Living Expenses

The above-mentioned fees do not include any travel and per diem expenses incurred for on-site visits required for this engagement.

Any travel time will be billed at \$75/hour. Santa Clara shall also pay or reimburse travel expenses plus a per diem reasonably incurred in furtherance of NorthStar duties hereunder.

# **6 TERMINATION**

Termination of this SOW is pursuant to the Agreement between the parties entered into on December 7, 2017.

Under no circumstances shall NorthStar be liable for any special, indirect, consequential, punitive or incidental damages of any kind and shall not be liable for loss of profits, works stoppage, system failure or malfunction, loss of data or any other damages or losses in connection with this statement of work, even if NorthStar has been advised of the possibility of such damages. In any event, NorthStar shall not be liable to pay any amount, in the aggregate, that is greater than the fees received by NorthStar under this statement of work.

#### 7 PROJECT ASSUMPTIONS

The services, fees and delivery schedule for this engagement are based upon the following assumptions:

- Any items not explicitly identified within this document are considered out of scope. Any
  changes to those responsibilities and/or deliverables will be considered a change in scope
  for the engagement. Any proposed change to the engagement scope must be put into
  written format and be submitted to NorthStar during this engagement for review and
  consideration.
- This engagement currently has, and will continue to have, the support of senior Santa Clara management and will be assigned sufficient priority with respect to other projects to ensure its success.
- Santa Clara will assign a Lead to act as an internal resource and guide throughout this engagement.
- Santa Clara Lead will be responsible for securing the appropriate staff in a timely fashion
  in order to discuss or review the various materials produced when required. It is expected
  that the individuals involved will have experience in Santa Clara's day-to-day operations
  and will work closely with NorthStar Consultants to resolve issues as required. The main
  purpose of this interaction is to provide a quick and consistent response to procedural
  issues.
- Santa Clara will provide access and support from the IT group and any other stakeholder, as deemed necessary by NorthStar throughout this engagement.
- Santa Clara agrees to facilitate any required corporate logistics for the fulfillment of this agreement.
- NorthStar will require local administrator rights or root access to the NorthStar servers throughout the migration project.
- All project activities to be performed remotely, unless otherwise requested and scope for additional costs.
- Santa Clara will provide appropriate remote access to its network, facilities, and systems
  as may be required to perform activities from one of NorthStar's locations. NorthStar shall
  abide by all rules and directions of Santa Clara when accessing Santa Clara's network,
  facilities or systems.
- All documentation provided by Santa Clara shall be up-to-date and accurate or if that is not the case, advise NorthStar as such.
- All hardware, software, and network components supplied by Santa Clara are working properly and are free of defects and will meet minimum hardware standards provided during the engagement.
- The environment that has been installed, configured, and validated during the migration implementation will become the production environment at Go LIVE. In the event this production environment is required to be migrated to another server after the initial installation a Change Order may be applicable.
- Once the CIS and add on installations and CIS update has been completed and connectivity has been confirmed, NorthStar strongly recommends that the environment

remains static for the duration of the project. Troubleshooting performance or NorthStar functionality issues, resulting from environment changes, such as operating system updates and network modifications, is considered outside the scope of the migration project. Santa Clara will be issued a project change order for time incurred reviewing such issues. If at any point, it is confirmed that the issue is caused by NorthStar, all service charges will be waived.

- All third-party software and hardware products are assumed to perform correctly in Santa Clara environment, in accordance with the appropriate third-party vendor's specifications.
- To minimize project costs, majority of project work will be performed at one of the NorthStar's locations except for project activities where face-to-face is deemed more effective.
- Price does not include Santa Clara approved travel and living expenses that may be required as part of the delivery of the engagement. (i.e. airfare, car rental, gas, per diem and hotel) NorthStar will work with Santa Clara to identify most cost-effective accommodations for Santa Clara's onsite activities that are mutually agreed upon.
- Price for this proposal is based upon Santa Clara obtaining all hardware and associated operating/ database systems.
- All data provided will be complete and clean. It is the responsibility of Santa Clara to clean data if deemed required due to the identification of inaccurate entries.
- Santa Clara resources will be available as required for acceptance testing. It is expected
  that the individuals identified will have experience in the day-to-day operations and will
  work closely with the NorthStar Consultant to resolve issues as required. The main
  purpose for this interaction is to provide a quick and consistent response to procedural
  issues so that the NorthStar Consultant is not required to contact a large number of Users.
- Santa Clara is responsible for preparing the underlining IT infrastructure (hardware installation, operating system, and network connectivity) and supply the required servers based on the minimum server specifications. This must be in-place per agreed upon project plan.
- Santa Clara is responsible to provide the non-production and production environments.
- This project includes the migration of up to 10 automation platform workflows
- The NorthStar application will not point to the Archive database. Any validation queries will need to be run through SQL.
- The archive and purge processes for the production instance will need to be run over a weekend to ensure there is no impact to processing in the production environment.
- In the event a data related issue is encountered with the Archive Purge process which would involve a code change, additional billable hours will be required.

# 8 DOCUMENT ACCEPTANCE AND SIGNOFF

Please return signed copy to Andrea Evans <a href="mailto:aevans@harriscomputer.com">aevans@harriscomputer.com</a>

Accepted on this day by:	
City of Santa Clara, CA	NorthStar Utilities Solutions
Signature:	Signature:
Name:	Name:
Title:	Title:
Date:	Date:
Project Contact:	
Name:	
Email:	

## 9 APPENDIX A - HARDWARE & SOFTWARE SPECIFICATIONS

This document specifies the minimum recommended hardware and software for NorthStar software implementation, including CIS, mCare, SilverBlaze and other add-ons. This specification is for NorthStar CIS version 6.6 or higher only. It may not apply to other versions of NorthStar CIS software.

This specification is only Intended for sites with 50,000 active accounts or more.

## **Complete Server Inventory**

CIS Application Server – Production
CIS – specification #1 in next section

CIS Application Server – Non-Production
CIS, Reports Anywhere, add-ons such as eDocs, EIS – specification #1 in next section

CIS Extension and Report Application Server – Production and Non-Production

Reports Anywhere, add-ons such as eDocs, EIS – specification #2 in next section

MCare External Access Web Application Server – Production mCare 6 – specification #3 in next section

MCare External Access Web Application Server – Non-Production mCare 6 – specification #3 in next section

SilverBlaze External Access Web Application Server – Production SilverBlaze – specification #3 in next section

SilverBlaze External Access Web Application Server – Non-Production SilverBlaze – specification #3 in next section

Database Server - Production

All databases - specification #4 in next section

Database Server - Non-Production

All databases - specification #4 in next section

# **Server Specifications**

# 1. NorthStar CIS 6.X.X Application Servers for Production and Non-Production Environments

#### **Minimum Hardware:**

- 2 x Ouad-core Xeon Processor
- 32 GB Memory
- 400 GB 15K SSD/SSHD (RAID)

#### **Minimum Software:**

- Windows 2019 Standard 64-bit
- VMWare supported
- Wildfly to be installed by NorthStar
- Java to be installed by NorthStar
- Genero to be installed by NorthStar

# 2. NorthStar CIS 6.X.X Extension Servers for Production and Non-Production Environments

#### Minimum Hardware:

- 2 x Quad-core Xeon Processor
- 32 GB Memory
- 200 GB 15K SSD/SSHD (RAID)

#### **Minimum Software:**

- Windows 2019 Standard 64-bit
- VMWare supported
- Wildfly to be installed by NorthStar
- Java to be installed by NorthStar

# 3. MCare/SilverBlaze Application Servers for Production and Non-Production Environments

#### Minimum Hardware:

- Dual-core Xeon Processor
- 32 GB Memory
- 200 GB 15K SAS Drives (RAID)

#### Minimum Software:

- Windows 2019 Standard Edition 64-bit
- VMWare supported
- Apache Tomcat 9.0.4 or higher to be installed by NorthStar

- Apache HTTP Server 2.4 or higher to be installed by NorthStar
- Java to be installed by NorthStar
- Wildfly to be installed by NorthStar

#### 4. Database Servers for Production and Non-Production Environments

#### **Minimum Hardware:**

- 2 x Quad-core Xeon Processor
- 32 GB Memory
- 1000 GB 15K SSD or SSHD (RAID) no local backup

#### Minimum Software:

- Windows 2019 Standard Edition 64-bit
- SQL Server 2019 Standard Edition
- VMWare supported

# **Client Device Specifications:**

# **CIS Client Computer:**

#### **Minimum Hardware:**

- Quad Core CPU (Intel Core2, AMD Phenom...)
- 40GB hard drive (or higher)
- 8GB Memory
- Minimal resolution: 1360 x 786

#### **Minimum Software:**

- Windows 10 64 Bit
- JRE 8.X
- Microsoft Office 2010

#### **MCare Client Device:**

#### **Recommended Devices:**

- Apple iPad Mini 48"
- Apple iPad 5th Gen 9.7"
- Galaxy Tab S2 8"
- Galaxy Tab S2 9.7"
- Surface Pro 4 12.3"

## **Minimum Hardware:**

- Screen Size 8" (~320 ppi density) or 9.7" (~264) (4:3 ratio)
- 1536 x 2048 pixels, 4:3 ratio
- GPU (required for smooth user experience)
- CPU dual-core 1.5 GHz
- 2GB of RAM
- Back Facing Camera
- LTE or LTE adapter



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-139 Agenda Date: 4/8/2025

#### REPORT TO COUNCIL

#### **SUBJECT**

Action on Authorizing the City Manager to Negotiate and Execute Amendments to the Agreement with N. Harris Computer Corporation for the NorthStar CIS Utility Billing System

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

The City of Santa Clara (City) originally selected N. Harris Computer Corporation (Harris) in 1998 through a competitive solicitation process and entered into an agreement for the NorthStar Customer Information System (NorthStar CIS). This integrated system serves as the backbone of the City's utility billing system and supports various utility-related services. Key examples include the (i) mCare Legacy module for service requests and meter reading data and the (ii) CustomerConnect module, a public-facing portal for account access and bill payment.

In 2017, the City Council authorized the City Manager to execute a new agreement with Harris (2017 Agreement) to upgrade NorthStar CIS from version 6.3 to version 6.4, with a maximum compensation of \$276.648.

On November 10, 2020 (RTC# 20-714), the City Council authorized the City Manager to (i) execute Amendment No. 1 to extend the term of the 2017 Agreement through December 31, 2023, with no change to the maximum compensation and (ii) negotiate and execute future amendments for additional work related to the transition of the customer payment system from NorthStar CIS to the City's Smart Energy Water (SEW) platform for compliance with Payment Card Industry Data Security Standard (PCI DSS). The PCI DSS is a set of security requirements designed to protect cardholder data and reduce payment card fraud, applicable to any entity that stores, processes, or transmits cardholder data.

On December 16, 2020, the City executed Amendment No. 2 to increase compensation by \$189,551 for a revised maximum compensation not to exceed \$466,199 for the work related to the SEW project, as authorized under RTC# 20-714.

On January 2, 2024, the City executed Amendment No. 3 to the 2017 Agreement to extend the term through December 31, 2025 to accommodate additional time needed to complete the SEW project, as authorized under RTC# 20-714.

On March 19, 2024 (RTC# 24-168), City Council authorized the City Manager to negotiate and execute Amendment No. 4 to modify the scope of services to include work needed to ensure ongoing compatibility between the NorthStar CIS and Silicon Valley Power's updated meter data management

25-139 Agenda Date: 4/8/2025

system. Additionally, the City Council granted the City Manager authority to increase the maximum compensation of the agreement by \$70,857 to a revised not-to-exceed amount of \$537,056 in support of this additional work.

The purpose of this report is to request City Council authorization for additional services required for the NorthStar CIS system.

#### **DISCUSSION**

Since the execution of the 2017 Agreement with Harris, the system has undergone various updates and modifications to maintain compliance with industry standards and ensure seamless operations with evolving City technologies and needs, as discussed above. Currently, two new work efforts have been identified.

#### NorthStar CIS Upgrade

The version of Northstar CIS currently in use is outdated and no longer supported by Harris. To improve performance, security, and compliance and to, the City staff desires to upgrade the NorthStar CIS to the latest version. This upgrade will improve prove performance and security, and it will also ensure the City benefits from new and updated features including updating the outdated 2012 Microsoft infrastructure and software with the latest releases (currently Microsoft Windows 2022 and Microsoft SQL Server 2022).

The project scope includes four weeks of user acceptance testing, 45 days of post go-live support, and training. The total cost for this upgrade is \$112,174.

#### mCare Legacy Replacement

The mCare application, a component of the NorthStar CIS system used for customer service functions, is at end-of-life. Harris has recommended replacing it with ServiceLink, which is Harris' new product that is fully compatible with the NorthStar CIS system. This cloud-hosted solution offers significant advantages over mCare's on-premise infrastructure, including improved mobility, scalability, and increased efficiency through customized modules for electric, trash, water and sewer services. ServiceLink also provides expanded user licensing, allowing the City to scale as needed.

To facilitate this transition, staff is requesting City Council authorization to negotiate and execute a future amendment to implement ServiceLink for an additional not-to-exceed amount of \$100,000. This request is in accordance with the Santa Clara City Code (City Code). Specifically, Section 2.105.280(b)(2) of the City Code permits procurement exemptions from the City Code's competitive requirements when required to ensure operation or function to match other products with respect to the repair, expansion or completion of a system, existing structure or program currently in use by the City.

Continuing with Harris for this critical utility billing system component will ensure continued seamless integration and functionality. Implementation of ServiceLink will begin after the completion of the NorthStar upgrade, which is a prerequisite.

The annual recurring maintenance fee for ServiceLink will be \$54,375, an increase of \$39,825.41 from mCare's current annual maintenance cost of \$14,549.59 annually. This recurring fee will be

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added to the existing software license/subscription agreement, already authorized under RTC 20-714.

#### ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of a California Environmental Quality Act ("CEQA") pursuant to pursuant to section 15061(b)(3) of Title 14 of the California Code of Regulations in that it can be seen with certainty that there is no possibility that these upgrades and modifications may have a significant effect on the environment.

#### FISCAL IMPACT

The proposed Amendment No. 5 adds \$112,174 to support the NorthStar CIS server migration and upgrade project with funding available through the Utility Management Information System (UMIS) Enhancements Project in the General Government Capital Fund (Project 6103).

Future amendments to support the mCare replacement are estimated to add \$100,000 in implementation costs, funded by the Utility Management Information System (UMIS) Enhancements project. To ensure a smooth transition and maintain compliance, a 10% contingency amount of \$21,217 is recommended, bringing the revised not-to-exceed amount to \$770,447. This contingency accounts for additional work that may arise during implementation, such as at least two data refresh cycles, unforeseen integration issues with existing systems, configuration refinements to align with operational needs, and potential adjustments based on user acceptance testing feedback. Given the complexity of migrating to ServiceLink, this buffer provides a safeguard against unexpected challenges, ensuring that the system meets operational and compliance requirements effectively.

An estimated increase of \$39,825 in annual subscription fees for ServiceLink for a total of \$54,375 in annual subscription fees is anticipated for the Utility Billing Budget and will be incorporated into the budget as part the budget process.

#### COORDINATION

This report has been coordinated with the Information Technology Department and City Attorney's Office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

- 1. Authorize the City Manager or designee to negotiate and execute amendments to the agreement with N. Harris Computer Corporation (Agreement) for the NorthStar Customer Information System (NorthStar CIS) Utility Billing System to implement the NorthStar server migration and upgrade and replace mCare with ServiceLink, and to increase the maximum compensation by \$212,174, plus a 10% contingency amount of \$21,217 for a revised not-to-exceed amount of \$770,447, subject to the appropriation of funds and review and approval as to form by the City Attorney; and
- 2. Authorize the City Manager or designee to take any actions necessary to implement and

25-139 Agenda Date: 4/8/2025

administer the Agreement and execute future amendment(s) to (1) add or delete services, (2) adjust future rates based on market conditions, (3) make de minimis revisions, and (4) extend the term as needed to complete the projects, subject to review and approval as to form by the City Attorney.

Reviewed by: Kenn Lee, Director of Finance Approved by: Jovan D. Grogan, City Manager

# ATTACHMENTS

- 1. Amendment No. 4
- 2. Amendment No. 3
- 3. Amendment No. 2
- 4. Amendment No. 1
- 5. 2017 Harris Agreement



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-773 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### **SUBJECT**

Action to (1) Adopt a Resolution Declaring an Urgency in Accordance with Charter Section 1310, Contracts on Public Works, to Allow for the Award of Contracts for Projects Implementing Security Measures to Mitigate Risks to Public Services and Facilities without Advertising for Bids, (2) Authorize the City Manager to Execute Agreements, Amendments, and Change Orders for Services, Equipment and Materials in connection with the Implementation of Security Measures to Mitigate Risks to Public Services and Facilities, (3) Approval of one full-time position to develop, implement, and manage Silicon Valley Power's security measures and (4) Approve Related Budget Amendment

#### **BACKGROUND**

On June 17, 2025, in closed session, the City Council received a presentation regarding security risks and vulnerabilities at certain City facilities; this included a presentation from a representative of the U.S. Department of Homeland Security, Cyber & Infrastructure Security Agency (CISA). With risk and threat levels on the rise, both here in the U.S. and internationally, and with the City scheduled to host high-profile international events in 2026, there is an urgent need to address these vulnerabilities. One important and necessary step in this process is to expedite the City's public works procurement process. This item presents options to accomplish this, with the main recommendation being that the City Council make a declaration of urgency under Section 1310 of the City Charter (City Charter) in order to allow staff to procure the necessary services without the need to engage in the full, formal public works project bid process. In addition, staff is requesting additional authorization and funding for services, material, and equipment. Silicon Valley Power (SVP) will also require an additional position to develop, implement, and manage SVP's security measures, including the CISA recommendations.

#### DISCUSSION

In general, the City follows multi-step procurement processes to award public works and other public contracts. These provisions include, but are not limited to, Section 1310 (Public Works) of the City Charter, and Chapter 2.105 (General Services and Products) of the Santa Clara City Code. Exceptions are allowed, however. One exception for public works is where the City Council determines there to be an urgent necessity for the preservation of life, health or property. This urgency exception is not frequently recommended or invoked. It can, however, be a useful tool in certain circumstances. For example, the urgency process was recently applied to expedite the improvements needed to re-open the City's International Swim Center (ISC) facility. The City Council's urgency declaration allowed amendments to an existing contract rather than a formal readvertising for bids. In effect, a pre-qualified contractor was used for the work, and many months were saved. In that case, the City Council made the urgency finding in light of evidence that months of delay would likely have a material adverse impact on the long-term viability of aquatics user groups, the parents and youths participating in those groups, and the health and well-being of the City's general population of youth, adults, and seniors who were being denied full access to City

aquatics programs and facilities.

In current matter before the City Council in order to address, in a timely manner, the vulnerabilities identified by CISA as part of its formal risk assessment of certain City facilities, City staff is recommending that the City Council make a finding of "urgency" under the City's Charter to allow for the expedited implementation of the projects necessary to mitigate such risks. For public safety and security reasons, the specific nature and locations of these risks are not being detailed in this report. In general, according to CISA's standards, facility conditions that need to be addressed include: exterior walls and fencing; security mechanisms at ingress/egress points; and video and activity monitoring systems. If such conditions are not promptly addressed, City facilities supporting the continuous delivery of critical City services, both on a day to day basis, and during high profile events, would be vulnerable to damage or destruction perpetrated by bad actors. If staff were to pursue conventional public works procurement processes to address these issues, from start to finish, the process would likely take between four and six months to complete, excluding project design. Expedited procurement processes would reduce this project timeline by many months. With the reported rise in threat levels, both internationally and within the U.S., and high-profile events on the City's near time horizon, this projected conventional procurement process timeline is too long to leave this situation unmitigated. Staff's assessment is that this situation constitutes an urgent necessity justifying the use of expedited procurement processes for the preservation of life, health and property.

### **Procurement Options**

To support the accelerated timeline, staff is recommending a combination of standard and modified procurement approaches:

- <u>Utilize Existing Contracts</u>. The City currently has active contracts that may be used for the procurement of services, materials, and equipment. For example, an agreement with Tucker Construction for fence installation and repairs can be amended to increase compensation and extend the term to cover the work required. Accordingly, as part of its recommendation, staff is requesting delegation of authority to the City Manager or their designee to amend the terms of existing City agreements in order to address the security risks of City facilities as soon as possible. Any amendment will include a revised scope of work, a budget for such work, provisions for change orders, an increase in the maximum compensation, term extensions, and other changes deemed necessary to complete the work in a timely manner in a form approved by the City Attorney.
- <u>Cooperative Purchasing Agreements</u>. Where appropriate, staff may use cooperative
  purchasing agreements that have been competitively awarded by public agencies. This
  method allows the City to leverage existing contracts to procure services, materials, and
  equipment more quickly and efficiently while remaining compliant with the City's
  procurement procedures.
- The Award of New Public Works Contracts Without the Full Bid Process. While some of the anticipated work will be classified as "general services" covered by the City Code, the City will also urgently require "public works" projects to address the security vulnerabilities. Under Section 1310 of the Santa Clara City Charter public works contracts exceeding \$1,000 must be awarded to the lowest responsive and responsible bidder after

notice by publication in an official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids. Based on a declaration of urgency by the City Council, this process can be substantially expedited by waiving certain formal bid requirements.

In support of this declaration, as discussed above, City Council received a presentation regarding security risks and vulnerabilities at certain City facilities; this included a presentation from a representative of the U.S. Department of Homeland Security, Cyber & Infrastructure Security Agency (CISA). With risk and threat levels on the rise, both here in the U.S. and internationally, and with the City scheduled to host high-profile international events in 2026, there is an urgent need to address these vulnerabilities. An expedited procurement process will reduce the time required to implement necessary improvements by many months.

Although the full, formal public works process will not be followed, whenever practical and possible, City public works staff will implement other practices to assure the award of contracts to qualified contractors at reasonable rates.

Additionally, the City will require services, materials, and equipment in connection with the implementation of security measures to mitigate risks to public services and facilities. The following will assist the City to timely complete the security measures.

- Services, Material and Equipment Purchases. Section 2.105.260 of the City Code authorizes the City Manager to purchase services materials or equipment when the there is a threat to the lives, property or welfare of City residents. The facts that support such a determination are similar to the facts that support the City Council determination of an "urgency" in the public works context. As mentioned, CISA identified risks and vulnerabilities at certain City facilities with risk and threat levels on the rise, both here in the U.S. and internationally, and with the City scheduled to host high-profile international events in 2026, there is an urgent need to address these vulnerabilities. Therefore, the City Manager does have enough facts to support a determination under 2.105.260 of the City Code so that he may award service, materials and equipment procurements without further compliance with the City Code in order to mitigate the security risks.
- Expedited Procurement Bidding Process. For solicitations valued \$250,000 or more, Chapter 2.105 of the Santa Clara City Code requires certain posting requirements. Under section 2.105.260 of the City Code, the City Manager might need to choose not post solicitation under the City's e-procurement system or otherwise post in accordance with any other provision of Chapter 2.105. However, under this expedited approach, staff would solicit bids by reaching out directly to qualified vendors. proposal.

#### Addition of 1.0 Full-Time Electric Program Manager Position

SVP requires an additional position, one (1) Electric Program Manager, to implement the CISA security recommendations and other facility security measures. Among other responsibilities, this position will oversee the immediate deployment of security measures at seven (7) critical SVP locations over the next six months and the completion of other security measures for other assets in the future. This Electric Program Manager will also develop additional security measures, further streamline SVP's physical security assessments, and manage all physical security contracts in close

coordination with SVP engineering/operations groups and other City departments.

# Appropriation of Funding

To address the security vulnerabilities, it is anticipated improvements will encompass the addition of security camera systems, barrier/k-rails installations, and fencing and perimeter security. These categories reflect broad areas required to address the security vulnerabilities and are a preliminary list that may not represent all required projects. Work will be prioritized to address the most critical locations. Staff recommends setting aside \$20.0 million as a preliminary estimate for security improvement costs at the seven sites. Funding is available to be appropriated from the Electric Utility Fund's Infrastructure Reserve, which sets aside funding for unforeseen and unbudgeted capital costs. At the time of this report, cost estimates provided are based on limited available information and are subject to refinement as staff continues to gather site-specific details and obtain formal pricing proposals from vendors. Adjustments to the funding need will be brought forward to Council as needed as the projects are further refined.

### Coordination with Purchasing Division

SVP and the Purchasing Division will work closely to ensure that the City conform to the procurement methods listed above. These procurement methods will allow staff to move quickly to select vendors, issue purchase orders, and execute agreements and amendments necessary to secure materials and equipment (i.e., software, surveillance systems, and network infrastructure) required for the installation and implementation of security measures.

# Reporting to Council

At the time this Report to Council was prepared, the full list of projects and overall scope of work was still being finalized. Staff will report back to the City Council as soon as possible, and periodically thereafter, with a summary of all agreements executed under the delegated authority, and the status of project implementation.

#### **ENVIRONMENTAL REVIEW**

The actions being considered are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to the following sections of Title 14 of the California Code of Regulations: Section 15302 (Class 2 - Replacement or Reconstruction), in that the project would replace and reconstruct existing facilities on the same site and with substantially the same purpose and capacity as the structure replaced and Section 15303 (Class 3 - New Construction or Conversion of Small Structures), in that the project will construct limited numbers of new, small facilities or structures and equipment.

#### FISCAL IMPACT

The budget amendment below allocates funding from the Electric Utility Fund Infrastructure Reserve Ending Fund Balance to the Electric Utility Capital Fund Substation Physical Security Improvements Project to address security risks and vulnerabilities as recommended in this memorandum.

The annual cost of one full-time Electric Program Manager is approximately \$301,000 and will be funded by the Electric Utility Fund. Considering potential hiring timelines and the anticipated vacancy savings from other existing unfilled positions, sufficient budget is available for the additional position

and a budget action is not recommended at this time. As positions are hired, SVP staff will monitor the operations budget, and if budget actions are needed for FY 2025/26, will coordinate operating budget adjustments, typically through monthly financial reports submitted by the Finance Department. Future budgets, revenue projections, and rate adjustment calculations will include the costs of these new positions. For future years, the annual cost will be incorporated into the operating budget through the regular process.

# Budget Amendment FY 2025/26

	Current	Increase/ (Decrease)	Revised
Electric Utility Fund (091)			
Transfers To			
Electric Utility Capital Fund	\$50,541,000	\$20,000,000	\$70,541,000
Ending Fund Balance			
Infrastructure Reserve	\$50,000,000	(\$20,000,000)	\$30,000,000
Electric Utility Capital Fund (591)			
Transfers From			
Electric Utility Fund	\$50,541,000	\$20,000,000	\$70,541,000
<u>Expenditures</u>			
Substation Physical Security Improvements Project	\$709,951	\$20,000,000	\$20,709,951

#### COORDINATION

This report has been coordinated with the Finance Department and City Attorney's office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov>.

#### RECOMMENDATION

- 1. Determine that the proposed actions are exempt from CEQA pursuant to Section 15302 (Class 2 Replacement or Reconstruction) and Section 15303 (Class 3 New Construction or Conversion of Small Structures) of Title 14 of California Code of Regulations.
- 2. Adopt a resolution declaring an urgency in accordance with City Charter Section 1310 to allow for the award of contracts to various contractors to implement public facility security measures

without advertising for bids.

 Authorize the City Manager to negotiate and execute agreements, amendments, change orders, and/or purchase orders with various vendors in connection with the implementation of security measures at various City public facility sites, for a maximum aggregate compensation amount not-to-exceed \$20,000,000, subject to the review and approval as to form by the City Attorney.

- 4. Authorize the City Manager or designee to (a) take any actions as necessary to implement and administer the agreements and/or purchase orders, and (b) negotiate and execute amendments to the agreements or purchase orders for (i) project scope changes/additions, (ii) any unanticipated conditions or requirements, (iii) extensions of the agreement term, and (iv) de minimis revisions, all subject to the above maximum aggregate compensation amount and review and approval as to form by the City Attorney.
- 5. Approve the addition of one (1) Electric Program Manager in the Electric Utility Department.
- 6. Approve the following FY 2025/26 budget amendments:
  - a. In the Electric Utility Fund, decrease the Infrastructure Reserve Ending Fund Balance and increase the transfer to the Electric Utility Capital Fund in the amount of \$20.0 million (five affirmative Council votes required for the use of unused balances) and
  - b. In the Electric Utility Capital Fund, increase the transfer from the Electric Utility Fund and increase the Substation Physical Security Improvements Project in the amount of \$20.0 million (five affirmative Council votes required to appropriate additional revenue).

Reviewed by: Nico Procos, Director of Silicon Valley Power

Approved by: Jovan Grogan, City Manager

#### **ATTACHMENTS**

1. Declaration of Urgency Resolution

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A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA DECLARING AN URGENCY IN ACCORDANCE WITH SANTA CLARA CITY CHARTER SECTION 1310 TO ALLOW FOR AWARD OF PUBLC WORKS CONTRACS FOR PROJECTS IMPEMENTING SECURITY MEASURES TO MITIGATE RISKS TO PUBLIC SERVICES AND FACILITIES WITHOUT ADVERTISING FOR BIDS

WHEREAS, on June 17, 2025, the City Council received a presentation from a representative of the U.S. Department of Homeland Security, Cyber & Infrastructure Security Agency (CISA) regarding security risks and vulnerabilities affecting public services and City facilities;

WHEREAS, the conditions described in the presentation create significant risks that if not properly addressed could leave City facilities and critical City services vulnerable to damage or

**WHEREAS**, risk and threat levels are on the rise in the United States and internationally, and the City is scheduled to host high-profile international events in 2026;

**WHEREAS**, in light of these significant risks, there is an urgent need to implement projects that address such vulnerabilities on an expedited timeline;

**WHEREAS**, the categories of projects that are needed to address the vulnerabilities generally include installing fencing and perimeter security improvements, barrier/K-Rails, and security camera systems (the "Projects");

**WHEREAS**, Santa Clara City Charter 1310 authorizes the City Council to award public works contracts without advertising for bids if the City Council deems the work to be of urgency necessity for the preservation of life, health or property;

**WHEREAS**, based on these recitals and declaration of facts contained in this Resolution, the staff report, and public testimony presented during the City Council meeting, Council believes the work implementing the Projects constitutes an urgency necessity justifying the use of expedited procurement processes for the preservation of life, health, and property;

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

Resolution/Declaration of Urgency

destruction by bad actors;

Rev: 7/27/2023

- 1. The City Council hereby deems the work implementing the Projects to be of urgent necessity for the preservation of life, health, and property based on the following declaration of facts:
  - A. During a presentation to the City Council, CISA provided a risk assessment of certain City facilities which revealed security risks and vulnerabilities at certain City facilities.
  - B. With risk and threat levels on the rise, both in the United States and internationally, and with the City scheduled to host high-profile international events in 2026, there is an urgent need to address these vulnerabilities on an expedited timeline.
  - C. If the Projects intended to address such vulnerabilities are not completed on an expedited basis, and with sufficient time for testing in preparation for the upcoming events, critical City services could be vulnerable to damage or destruction by bad actors;
  - D. An expedited procurement process will reduce the time required to implement necessary security improvements by several months and help ensure that City facilities are secure during the City's upcoming events.
- 2. In light of the foregoing declaration and determination, the City Council hereby waives the standard requirements under Charter Section 1310 that would otherwise require advertising for bids for the award of the Projects, thereby allowing for awards of public works contracts to contractors without advertising for bids. Whenever practical, City staff shall implement other practices to assure the award of contracts to qualified contractors at reasonable rates, consistent with the practices described in the staff report.
- 3. Effective date. This resolution shall become effective immediately.

  I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE \_\_\_ DAY OF \_\_\_\_\_\_, 2025, BY THE FOLLOWING VOTE:

  AYES: COUNCILORS:

Resolution/Declaration of Urgency Rev: 7/27/2023

NOES:	COUNCILORS:		
ABSENT:	COUNCILORS:		
ABSTAINED:	COUNCILORS:		
		ATTEST:	
			NORA PIMENTEL, MMC
			ASSISTANT CITY CLERK
			CITY OF SANTA CLARA

Resolution/Declaration of Urgency Rev: 7/27/2023



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-701 Agenda Date: 7/8/2025

# REPORT TO STADIUM AUTHORITY BOARD

#### SUBJECT

Action on Stadium Authority Bills and Claims for the Month of May 2025

#### BOARD PILLARS

Enhance Community Engagement and Transparency
Ensure Compliance with Measure J and Manage Levi's Stadium

#### BACKGROUND

Disbursements made by the Stadium Authority are based on invoices submitted for payment. Prior to payment, staff reviews all disbursement documents to ensure that the invoiced goods or services have been provided.

The Bills and Claims listing represents the cash disbursements required of normal and usual operations during May 2025. Budget control is set by the Stadium Authority Board through the budget adoption process.

# **DISCUSSION**

At its March 11, 2025 meeting, the Stadium Authority Board adopted the Santa Clara Stadium Authority Fiscal Year 2025-26 Operating, Debt Service, and Capital Budget which runs from April 1, 2025 to March 31, 2026. Significant expenditures (greater than \$5,000) paid in May 2025 include:

- Payment totaling \$29,393.75 to Brailsford & Dunlavey, Inc. for Capital Expense (CapEx)
   Project Project and Construction Management Firm
- Payments totaling \$373,406.66 to the City of Santa Clara for the following:
  - \$190,815.53 for reimbursement of General and Administrative (G&A) City payroll costs (e.g., Executive Director's Office (City Manager's Office), Stadium Authority Counsel's Office (City Attorney's Office), and Treasurer's Office (Finance Department))
  - o \$19,193.37 for reimbursement of G&A Costs
  - \$76,165.45 for reimbursement of CapEx Costs
  - \$4,828.28 for reimbursement of SCSA Special Liability Claims related to Levi's Stadium
  - \$82,404.03 for unreimbursed Super Bowl LIX Public Safety payroll costs
- Payment totaling \$1,478,348.48 to Forty Niners Stadium Management Company, LLC for May 2025 Stadium Manager Expenses, inclusive of Shared Stadium Expenses
- Payment totaling \$15,463.00 for Legal Services (March 2025)
- Payment totaling \$5,344.70 to InTWO, Inc for Financial Management System Monthly Services (April 2025)
- Payment totaling \$21,056.75 to O.C. McDonald Co., Inc. for CapEx Project Plumbing -Boilers
- Payment totaling \$372,476.00 to Prime Electric for CapEx Project Lighting Systems Fixture

Replacement of Major Outdoor Lighting / LED Retrofit / Sports Lighting

 Payment totaling \$66,075.00 to Storm Water Inspection & Maintenance Services for CapEx Project - Stormwater System Assessment and Replacements

Names of law firms have been redacted from the Bills and Claims report. The Supreme Court of California in Los Angeles County Board of Supervisors v. Superior Court, (2016) 2 Cal.5th 282, held that invoices specifying the amounts billed by a law firm to a client fall within the scope of attorney-client privilege while the matters are active. In accordance with the Supreme Court's ruling, the names of law firms retained by the Stadium Authority, and the specific amounts billed by each, have been redacted from the public report to maintain the confidentiality of billing records for specific legal services. The aggregate amount spent on legal services in the subject time period has been provided.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to section 15378(b)(4) of Title 14 of the California Code of Regulations in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

#### FISCAL IMPACT

The fiscal impact to the Stadium Authority is \$2,365,673.68

#### COORDINATION

This report has been coordinated with the Executive Director and Stadium Authority Counsel's Office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

Approve the list of Stadium Authority Bills and Claims for May 2025.

Reviewed by: Kenn Lee, Treasurer

Approved by: Jovan D. Grogan, Executive Director

#### ATTACHMENTS

1. May 2025 SCSA Bills and Claims

# **Santa Clara Stadium Authority**

#### Bills and Claims Expenses Paid by Wire or ACH Transfer For the Month of May 2025

Payment Date	Vendor	Invoice No.	Description	Fund		Amount
5/9/2025	Brailsford & Dunlavey, Inc.	167811224.3F	CapEx Project - Project and Construction Management Firm	CapEx	10,040.00	
5/9/2025	Brailsford & Dunlavey, Inc.	167810125.4F	CapEx Project - Project and Construction Management Firm	CapEx	13,031.25	
5/9/2025	Brailsford & Dunlavey, Inc.	167810225.5F	CapEx Project - Project and Construction Management Firm	CapEx _	6,322.50	
						29,393.75
5/1/2025	City of Santa Clara	N/A	B2508 SCSA Payroll Costs	Operating	59,344.16	
5/6/2025	City of Santa Clara	N/A	B2509 SCSA Payroll Costs	Operating	71,439.17	
5/13/2025	City of Santa Clara	N/A	Reimbursement of G&A Costs	Operating	19,193.37	
5/13/2025	City of Santa Clara	N/A	Reimbursement of CapEx Costs	CapEx	17,129.48	
5/16/2025	City of Santa Clara	96629	Reimbursement of CapEx Costs	CapEx	59,035.97	
5/23/2025	City of Santa Clara	96740A	Reimbursement of SCSA Special Liability Claims related to Levi's Stadium	Operating	4,828.28	
5/30/2025	City of Santa Clara	N/A	B2510 SCSA Payroll Costs	Operating	60,032.20	
5/30/2025	City of Santa Clara	N/A	Super Bowl LIX Public Safety Payroll Costs not Reimbursed by BAHC	Operating	82,404.03	
						373,406.66
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Security	Operating	172,363.22	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Stadium Ops	Operating	274,894.00	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Engineering	Operating	268,727.89	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Guest Services	Operating	24,708.86	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Groundskeeping	Operating	62,961.04	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - SBL Sales & Service	Operating	180,978.85	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Insurance	Operating	77,239.41	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Utilities	Operating	352,848.36	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - StadCo Tenant Improvements	Operating	1,237.16	
5/1/2025	Forty Niners Stadium Management Co, LLC	PS-INV103006	May 2025 Stadium Manager Expenses - Other G&A	Operating	62,389.69	
				-		1,478,348.48
5/16/2025		1521773	Legal Services )	Operating		
5/16/2025		1521775	Legal Services ( )	Operating		
						15,463.00
5/15/2025	JPMorgan Chase Bank, N.A.	N/A	Bank Fees	Operating		4.34
5/9/2025	Hellmuth, Obata & Kassabaum, Inc.	21.04091.12-7R	CapEx Project - Plumbing - Boilers	CapEx		345.00
5/16/2025	InTWO, Inc.	44993-US	Financial Management System Monthly Services (April 2025)	Operating	4,974.90	
5/16/2025	InTWO, Inc.	44994-US	Financial Management System Monthly Services (April 2025)	Operating	369.80	
						5,344.70
5/9/2025	O.C. McDonald Co., Inc.	Application 2	CapEx Project - Plumbing - Boilers	CapEx		21,056.75
5/9/2025	Prime Electric	20513.1	CapEx Project - Lighting Systems - Fixture Replacement of Major Outdoor Lighting / LED Retrofit / Sports Lighting	CapEx		372,476.00
5/9/2025	Storm Water Inspection & Maintenance Services	87196	CapEx Project - Stormwater System Assessment and Replacements	CapEx		66,075.00
5/16/2025	Wilson, Ihrig & Associates, Inc.	22162N17	Stadium Noise Monitoring Services (February & March 2025)	Operating		3,760.00
			May 2025 Total		\$	2,365,673.68



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-417 Agenda Date: 7/8/2025

## REPORT TO COUNCIL

#### SUBJECT

Action on an Award of Contract for the Northern Receiving Station Upgrades and Expansion Project Contract No. 2454 to Henkels and McCoy West, LLC and Related Budget Amendment

#### COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure.

#### BACKGROUND

The City of Santa Clara's Electric Department, Silicon Valley Power (SVP), issued a public works bid packet for the Northern Receiving Station Upgrades and Expansion Project, Project No. 2454 (Project). The proposed Project was identified in SVP's Three-Year System Growth Plan Strategy that was accepted by City Council on September 28, 2021 (RTC #21-871), to support anticipated system growth, increase capacity, and replace end-of life equipment for system reliability.

The Northern Receiving Station (NRS) was constructed over 20 years ago in 2002. The Project will be located on available space within the existing station site and involve the (1) installation of additional transformers three 115kV/60kV, 336MVA and two 230kV/115kV, 560MVA power transformers); (2) installation of 115kV and 230kV bus; and (3) improvements to air insulted switchgear (AIS) Double-Bus-Double-Breaker (DBDB) configurations. Other work includes affected protection and control relay panels within existing control enclosure(s) and improvements or infrastructure necessary to facilitate the connection of future 60kV, 115kV, and 230kV transmission lines. The current 372MVA capacity of NRS will be increased to over 900MVA upon the completion of this Project.

#### DISCUSSION

On March 11, 2025, a competitive Request for Bid (RFB) was published on the City's bid notification system, BidNet Direct, for the Project. On May 15, 2025, the Project bids were opened at the City Clerk's office. The City received two (2) bids that were both deemed non-responsive. On May 21, 2025, the City re-bid the project.

On June 12, 2025, the Project re-bid was opened at the City Clerk's office. The City received two (2) bids from PAR Western Line Contractors, LLC (PAR West) and Henkels & McCoy West, LLC (H&M) in the amounts of \$45,700,982.00 and \$47,783,784.64, respectively.

After staff evaluation, PAR West's total base bid was adjusted to \$49,763,888.61 which was more than H&M's listed bid. Staff then reviewed H&M's bid documents and their total base bid also required adjustment to \$47,788,603.86 which made H&M the apparent low bidder. H&M's corrected bid of \$47,788,603.86 is 32% less than the Engineer's Estimate of \$70,300,000. Both PAR and H&M acknowledged and agreed to the adjustments. The final Re-Bid Summary is included as Attachment

1.

SVP staff included scope additives in the form of bid alternates to provide flexibility to accommodate additional work identified to prepare the NRS site to support a new third 230kV source which the California Independent System Operator (CAISO) approved as part of its Transmission Planning Process (TPP) 24/25 on May 22, 2025 which will bring more power to the City. Per Section 9. Additive and Deductive Alternates of the Instructions to Bidders, "the City reserves the right...to add [to] the Contract any of the additive...alternates included in the Bid Proposal..." The alternate work requested includes modification of existing caisson foundations, replacement of steel structures, demolition of existing main bus, and installation of a new main and transfer bus at various voltage levels throughout NRS. Staff requests the approval of Bid Alternates #1-9 for a total amount not-to-exceed \$12,068,489.28.

H&M's bid was reviewed by SVP staff for compliance with the terms and conditions of the bid documents and has determined H&M to be the lowest responsive and responsible bid. Staff recommends awarding the contract to H&M.

Award of the contract will allow construction to commence in order to complete the Project. The contract includes prevailing wage requirements.

#### **ENVIRONMENTAL REVIEW**

The proposed Project is a ministerial project and is therefore exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15268 of Title 14 of the California Code of Regulations based on the existing zoning of the Project site and under the applicable laws and ordinances.

#### FISCAL IMPACT

The cost of the base contract is \$47,788,603.86, plus an additional \$12,068,489.28 for Bid Alternates #1-9 for an adjusted contract price \$59,857,093.14, plus a 15% contingency, or \$8,978,563.97, for any potential change orders for a total not-to-exceed contract amount of \$68,835,657.11. Funding for the contract is included in the NRS Upgrades and Expansion Project in the FY 2025/26 Adopted Budget. On September 10, 2024, the City Council approved the issuance of electric revenue bonds which fund the design and materials purchases associated with these projects. The FY 2025/26 Adopted Budget assumes additional debt will be issued to support the construction costs funded in the budget. Staff will present a recommendation in the future to initiate the debt-funding for FY 2025/26, either a short-term credit facility or long-term debt will be necessary to fund this Project.

Staff recommends the appropriation of additional funds for Project management services, construction management services, testing and commissioning support services, special testing services, and additional equipment and materials costs (e.g., transformers). Due to long lead times, SVP is purchasing many of these associated equipment and materials directly and so those costs are not included in this construction contract. Staff have estimated these costs and have added a 5% contingency in case of any additional unanticipated needs. Contracts and authorizations associated with these activities have been authorized under separate City Council actions where applicable.

Staff recommends the budget amendment below in the Electric Utility Capital Fund to allocate \$16 million for the NRS Upgrades and Expansion Project No. 2454 to cover the costs outlined above. This increase is offset by an increase to the Unrestricted Beginning Fund Balance which reflects

anticipated Project savings in FY 2024/25 from updating the timeline for the South Loop Reconductor project. The FY 2024/25 savings will result in additional fund balance that will carry over to FY 2025/26.

	Budget Amend FY 2025/2		
	Current	Increase/ (Decrease)	Revised
Electric Utility Capital Fund (591) Beginning Fund Balance		,	
Unrestricted Beginning Fund Balance	\$124,493,014	\$16,000,000	\$140,493,014
Expenditures			
NRS Upgrades and Expansion Project	\$115,439,070	\$16,000,000	\$131,439,070

#### COORDINATION

The report has been coordinated with the Finance Department and the City Attorney's Office.

### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

#### RECOMMENDATION

- 1. Award the Public Works Contract for the Northern Receiving Station Upgrades and Expansion Projects, No. 2454, to the lowest responsive and responsible bidder, Henkels & McCoy West, LLC in the amount of \$47,788,603.86 (Base Contract Price) and approve Bid Alternates #1-9, in the amount of \$12,068,489.28, for a revised Base Contract Price not to exceed \$59,857,093.14 and authorize the City Manager or designee to execute the Contract (Contract), subject to the review and approval as to form by the City Attorney;
- 2. Authorize the City Manager or designee to take any actions necessary to implement and administer the Contract including executing any and all documents in furtherance of the award, completion, and acceptance of the Project and approval of any necessary change orders not to exceed 15 percent of the revised Base Contract Price, or \$8,978,563.97, for a total contract amount not to exceed \$68,835,657.11; and,
- 3. Approve the FY 2025/26 budget amendment in the Electric Utility Capital Fund to increase the Unrestricted Beginning Fund Balance and increase the Northern Receiving Station Upgrades and Expansion Project in the amount of \$16 million (five affirmative Council votes are required for the use of unused balances).

Reviewed by: Nico Procos, Director of Silicon Valley Power

Approved by: Jovan D. Grogan, City Manager

25-417 Agenda Date: 7/8/2025

ATTACHMENTS

1. Re-Bid Summary

#### **CITY OF SANTA CLARA**

**BID OPENING DATE:** THURSDAY, June 12, 2025

**TIME:** 3:00 PM

PROJECT NAME: Northern Receiving Station (NRS) Upgrades and Expansion Project

PROJECT NO. CIP-2454

**DEPARTMENT:** Silicon Valley Power

PROJECT ENGINEER: Allie Jackman (AJackman@SantaClaraCA.gov)

COMPANY/CITY/STATE	REC'D BY	TIME REC'D	APPARENT LOW BID ORDER	BID AMOUNT
Henkels & McCoy West, LLC			1	\$47,788,603.86
PAR Western Line Contractors, LLC			2	\$49,763,888.61
ENGINEER'S ESTIMATE\$	70,300,	000		

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# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-526 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### SUBJECT

Public Hearing: Action on a Resolution of Necessity to Acquire Certain Real Property Interests on 3205 Bassett Street, Santa Clara, California, from the Owner of Record for Purposes of Implementing the Silicon Valley Power 115kV Transmission Line Project

# COUNCIL PILLAR

Deliver and Enhance High Quality Efficient Services and Infrastructure

#### BACKGROUND

To support the growing electric demand and service needs within the City of Santa Clara (City), Silicon Valley Power (SVP) has identified the need for the construction of a 115-kilovolt (kV) transmission line connecting the Northern Receiving Station (NRS) and the Kifer Receiving Station (KRS) (the "Project"). This new transmission line will enable SVP to transfer additional power, balance electric loads across the City's three receiving stations, and enhance overall system reliability.

After evaluating three potential transmission routes, the City Council approved the preferred route on November 12, 2024 (RTC #24-1040), an overhead alignment along Lafayette Street, Bassett Street, and Duane Avenue. The route was selected based on its overall feasibility, least impact to residents and businesses, permitting constraints, ability to meet the schedule, flexibility in power delivery, ease of maintaining the system, and reduced construction disruption to the public as compared to the other alternatives.

The City Council has previously taken several actions on the Project:

- March 19, 2024 RTC #24-1614 Informational Report
- November 12, 2024 RTC #24-1040 Action on a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) and Route Approval for the Project
  - Approved the Adoption of a MND and the MMRP.
  - Approval of Route A, Option 1, for an entirely overhead alignment of the new 115kV transmission line.
- February 25, 2025 RTC #25-212 Authority to Execute Purchase and Sale Agreements (PSAs) for Easement Acquisitions

Other actions taken for this Project include two virtual community meetings held on April 25, 2024, and May 23, 2024, as well as an in-person public engagement meeting held on August 22, 2024, to present and take comments from the community on the transmission line route.

25-526 Agenda Date: 7/8/2025

The Project requires the acquisition of twenty (20) easements for SVP's electrical facilities, including an easement located on 3205 Bassett Street, Santa Clara, California (Easement Area), comprised of approximately 6,100 square feet of property as more fully described in the Resolution of Necessity, attached to this Report to Council.

# **DISCUSSION**

On August 8, 2024, the City conducted an appraisal of the Easement Area and, subsequently, sent an offer for the Easement Area to the property owner on November 13, 2024. After the initial offer letter was sent to the property owner, the City's right-of-way agents had initially been in regular contact with the property owner. At a certain point, however, the property owner stopped being responsive for months at a time and no further progress has been made.

City acquisition of the Easement Area is necessary for the Project and City's reasonable efforts to acquire it through negotiations have not been successful and the property owner has not accepted the City's offer. Therefore, it has become necessary for the City to acquire the Easement Area through the eminent domain process. At this point, in order to proceed with acquisition of the Easement Area under the eminent domain process, the law requires the City Council to hold a public hearing, consider all testimony presented and, in the Council's discretion, adopt a Resolution of Necessity making certain findings. These findings, along with the factual basis necessary to make the findings, are set forth below:

- The public interest and necessity require the Project.
   The completion of the Project is one of the key projects that are needed to increase SVP's system capacity to approximately 1300-megawatt (MW). Until the Project is completed, SVP's system capacity will be limited to 819MW. This is insufficient to meet projected electric loads within the City. This Project will enable SVP to transfer additional power, balance electric loads across the City's three receiving stations, and enhance overall system reliability.
- The Project is planned or located in the manner that will be the most compatible with the greatest public good and the least private injury. The SVP evaluation team for the Project consisted of internal SVP staff, design and environmental engineering consultants, and program management staff. The SVP evaluation team conducted a comprehensive analysis and evaluation, employing various methodologies such as potholing and GPR surveys. This in-depth assessment took into consideration SVP's load growth and system planning projections, schedule, cost estimation, required easements and permits, and engineering judgment. The goal was to determine feasible route alignments, identify a preferred route, and explore potential overhead and underground options within the preferred route. The findings favored the preferred route for the Project which is the alloverhead option set forth in Attachment 2 of RTC #24-1614. The Project alignment chosen will be achieved at less cost, be delivered more quickly, and will impact less residents and businesses than the other considered alignments.
- The Easement Area sought to be acquired is necessary for the Project.
   The Easement Area is necessary to achieve the technical needs of the Project as it is within the alignment of the selected route. The majority of the route will be built within the public right -of-way; however, the Easement Area adjacent to the right-of-way is required for maintenance purposes and to ensure the proper electrical conductor clearances are met. The Easement

Area also needs to take into account the necessary clearances from the blow out or sway of the electrical conductors.

 The offer required by Section 7267.2 of the Government Code has been made to the owner of record for the full amount established as the fair market value of the Easement Area.

On November 13, 2024, the City made an offer to the Owner of Record to acquire the Easement Area for an electric overhead easement upon the value determined by an independent state licensed and certified appraiser in accordance with the above referenced Government Code section.

The Resolution of Necessity requires approval by a two-thirds vote of the Council. If the City Council adopts the recommended Resolution of Necessity, the City would deposit the necessary funds for the Easement's probable compensation with the State Condemnation Deposit Fund and file an eminent domain complaint with the Santa Clara County Superior Court to seek possession of the property.

As always, the parties can continue to negotiate in an effort to come to a mutual agreement on compensation for the easement, including any compensation due for furniture, fixtures, and equipment, and any loss of business goodwill.

#### ENVIRONMENTAL REVIEW

The Mitigated Negative Declaration (MND) and Mitigation and Reporting Program (MMRP) were prepared for the Project in conformance with CEQA. These documents and Notice of Availability were posted on the City's website at <a href="http://www.santaclaraca.gov/ceqa">http://www.santaclaraca.gov/ceqa</a> and circulated for 30-day review from July 31, 2024, to August 30, 2024.

The MND examined environmental impacts associated with the Project. The MND identified potentially significant impacts to air quality, biological, cultural resources, geology and soils, hazards and hazardous materials, hydrology and water, noise, and traffic/transportation. However, the MND and MMRP incorporates mitigation measures to reduce the potentially significant impacts to less-than-significant.

The MND and MMRP were adopted by the City Council on November 12, 2024, by Resolution No. 24 -9386.

#### FISCAL IMPACT

There is no fiscal impact to the City for adopting the action on a Resolution of Necessity to acquire certain real property interests on 3205 Bassett Street, Santa Clara, California, from the Owner of Record other than administrative staff time and expense. The anticipated easement costs for the Project are currently budgeted within the Electric Utility Capital Fund.

#### COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website

25-526 Agenda Date: 7/8/2025

and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <a href="mailto:clerk@santaclaraca.gov">clerk@santaclaraca.gov</a> or at the public information desk at any City of Santa Clara public library.

Additionally, on June 16, 2025, a letter (attached) was mailed to the property owner, as verified on the Title Report. The letter included notification of the public hearing and consideration of a Resolution of Necessity. A Notice of Intention to Adopt a Resolution of Necessity stating that the hearing before City Council is scheduled for July 8, 2025, and Request to be Heard documentation were also included as attachments to the letter.

#### **ALTERNATIVES**

- 1. Adopt a Resolution of Necessity to Acquire Certain Real Property Interests.
- 2. Do not adopt a Resolution of Necessity.

#### RECOMMENDATION

Adopt a Resolution of Necessity Making the Required Findings to Acquire Certain Real Property Interests on 3205 Bassett Street, Santa Clara, California, from the Owner of Record for Purposes of Implementing the Silicon Valley Power 115kV Transmission Line Project (Five affirmative votes required [California Code of Civil Procedure section 1245.245])

Reviewed by: Nico Procos, Acting Director of Silicon Valley Power

Approved by: Jovan D. Grogan, City Manager

### **ATTACHMENTS**

- 1. 3205 Bassett Street, November 13, 2024, Offer Letter
- 2. Resolution of Necessity
- 3. 3205 Bassett St, Intent of Resolution of Necessity and Notice of Intention



Nov. 13, 2024

Basset California, LLC Rose Greenwich 100 Field Point Rd. Greenwich, CT, 06830

SUBJECT:

OFFER TO PURCHASE OVERHEAD ELECTRIC EASEMENT

SITE: 3205 Bassett Street

NRS-KRS 115kV Transmission Line Project

Dear Ms. Greenwich:

The City of Santa Clara, acting by and through its municipally owned utility, Silicon Valley Power (SVP), is currently pursuing acquisition of power line easements to construct, operate, and maintain approximately 2.24 miles of new 115 kilovolt (kV) overhead transmission line from the Northern Receiving Station (NRS) to Kifer Receiving Station (KRS) ("Project"). The power lines that are proposed to be built for the Project requires the acquisition of property rights affecting approximately 6,100 square feet over a portion of your property located at 3205 Bassett Street, Santa Clara, CA and is also identified by the County Assessor as Parcel No. 101-11-003 ("Property").

SVP's primary objective of the Project is to increase system capacity and reliability. The majority of the new 115kV transmission line would be constructed along Lafayette Street, Bassett Street, and Duane Avenue. The Project is anticipated to be completed in 2028.

SVP designs its transmission system so that a loss of a single transmission line does not result in the loss of power for its customers. This design philosophy ensures the maximum reliability for its customers. As the power demands of the City grow, so does the necessity to construct infrastructure upgrades, such as this project, to continue to maintain this level of service reliability and increase the power capacity to support load growth and development. SVP is proactive about addressing future reliability issues and committed to providing the best service reliability for its customers.

Our title information shows Basset California, LLC, a Delaware limited liability company to be the owner of the Property. This Property is within the Project area.

Subject to, and upon the terms and conditions set forth herein, SVP offers to purchase the easement area over the Property ("Easement Area"), as described in Exhibit A: Overhead Electric Easement Deed ("Easement Deed") attached hereto. SVP hereby offers the sum of One Hundred Fifty Four Thousand Dollars (\$154,000) as just compensation for the acquisition of the Easement Area.



It is the policy of SVP to acquire property interests that are in private interests through voluntary purchase, if possible, and only when it is necessary to do so. In accordance with applicable law, SVP has obtained, reviewed and approved an appraisal to establish the fair market value of the property to be acquired. The attached Appraisal Summary outlines the basis for this offer pursuant to Government Code §7267.2.

Pursuant to Code of Civil Procedure §1263.025, SVP offers to pay your reasonable costs up to five thousand dollars (\$5,000) for an independent appraisal of the property interests. By law, an appraiser licensed by the Office of Real Estate Appraisers must prepare the independent appraisal. Although you are not required to obtain an appraisal at this time, or at all, if you believe such appraisal can assist you in evaluating this offer, it is in your interest to obtain an independent appraisal as expeditiously as possible. If you choose to obtain an appraisal, please forward SVP an invoice from your appraiser, identifying the Easement Area and the Property address as the subject of the appraisal and the fee charged.

Materials enclosed for your information include:

- An Easement Deed with Exhibit showing the Easement Area;
- The Appraisal Summary for your Easement Area.

The agent assigned to you and to whom you will be working with is **John Timmins** who can be reached at **801-244-3707** or by email at **john.timmins@eciusa.com**. Please contact him if you have any questions or if you wish further clarification of this offer.

If you are agreeable to the purchase amount of this offer for the Easement Area, please indicate your acceptance by signing in the space provided below and return an original signed copy of this letter to **John Timmins** using the postage paid return envelope, which is enclosed, for your use. Upon receipt of your acceptance of this purchase offer amount, a contract for sale (Purchase and Sale Agreement) and escrow instructions will be prepared for your execution. SVP will pay all of the conveyance and escrow costs. All taxes and assessments, if any, will be pro-rated, and possession will be delivered to SVP at the close of escrow.

Sincerely,

Manuel Pineda P.E.

Chief Electric Utility Officer



#### Enclosures:

SVP Easement with Exhibit Appraisal Summary Postage paid return envelope

# ACCEPTANCE OF OFFER

I, Rose Greenwich, am the legal owner of the Property. SVP submitted to me an Offer to purchase Overhead Electric Easement dated November 13, 2024 ("Offer") whereby the City of Santa Clara acting by and through its municipally owned utility, Silicon Valley Power, offered \$154,000 as the purchase amount for the acquisition of the Easement Area. By signing below, I, Rose Greenwich hereby accept this Offer and the terms and conditions contained therein. I further represent that I am legally authorized to accept the Offer.

Any and all capitalized terms shall have the meaning ascribed to them in the Offer.

Owner's Nar	me
Ву:	
Name:	
Title:	
Date:	

Recording Requested by: Office of the City Attorney City of Santa Clara, California

When Recorded, Mail to: Office of the City Clerk City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050

[SPACE ABOVE THIS LINE FOR RECORDER'S USE]

EXEMPT FROM RECORDING FEE
PER GOVERNMENT CODE §§ 6103 and 27383

EXEMPT FROM FEE
PER GOVERNMENTCODE § 27388,1 (a)(2)(D)

# OVERHEAD ELECTRIC EASEMENT DEED

3205 Bassett Street & APN 101-11-003 Santa Clara, California

For valuable consideration, the receipt of which is hereby acknowledged, Basset California, LLC, a Delaware limited liability company, (herein "Grantor"), hereby grants to the CITY OF SANTA CLARA, California, a chartered municipal corporation, (herein "Grantee"), an easement and right-of-way (herein "Easement") in, on, over, along and across the real property owned by Grantor in the City of Santa Clara, State of California, described in Exhibit A attached hereto and incorporated herein by this reference ("Easement Area").

This Easement shall be used by Grantee for the purpose of constructing and reconstructing, installing, operating, inspecting, maintaining, repairing, removing and/or replacing overhead electrical transmission systems, electrical distribution system, and communication systems, and appurtenances thereto, including a reasonable right of ingress and egress over adjoining lands of Grantor. In exercising said right of ingress and egress, Grantee shall, wherever practical, use existing roads and lanes across lands of Grantor, if such there be, and if not, by such route or routes as shall result in the least practicable inconvenience to Grantor and any occupants of Grantor's property.

The overhead system will consist of poles, wire supports, wires and conductors suspended from pole to pole, transformers and other equipment mounted on the poles, anchors, guy attachments, and other appurtenances.

Portions of the Easement Area may be used by the Grantor for driveway(s), landscaping (excluding trees), and parking, as will not interfere with the Grantee's use of the Easement. Any other use of the Easement Area by Grantor shall be subject to Grantee's express written consent and only after Grantee's review of plans and specifications and determination that such use will not interfere with its use of the Easement. Grantee may trim any trees or remove any tree or structure which is in or adjacent to the Easement Area which, in its reasonable determination, interferes with its use of the Easement. Grantee may trim any trees which is in or adjacent to the Easement Area which exceeds a height of 20 Feet or poses a risk of falling onto the Grantee's facilities or equipment located within the Easement.

IN WITNESS WHEREOF, s	aid grantors have hereunto set their hands this	day of
, 20		
	By:	
APPROVED FOR FORM:	Print Name:	
AFFROVED FOR FORM,	Title:	
Office of the City Attorney City of Santa Clara	By:	
	Print Name:	
	Title:	

"OWNER" APN 101-11-003 (2024-10)

ALL LEGAL OWNERS OF PROPERTY MUST EXECUTE THIS DOCUMENT, IF GRANTOR IS A CORPORATION, THE COMPLETE LEGAL NAME AND CORPORATE SEAL OF THE CORPORATION AND CORPORATE TITLES OF THE PERSONS SIGNING FOR THE CORPORATION SHALL APPEAR ABOVE. WRITTEN EVIDENCE OF AUTHORITY OF PERSON OR PERSONS EXECUTING THIS DOCUMENT ON BEHALF OF CORPORATION, PARTNERSHIP, OR JOINT VENTURE, OR ANY OTHER ORGANIZATION OTHER THAN A SOLE PROPRIETORSHIP SHALL BE ATTACHED.

ATTACH THE ALL-PURPOSE NOTARY ACKNOWLEDGMENT FORM FOR THE PERSON OR PERSONS EXECUTING THIS DOCUMENT ON BEHALF OF THE GRANTOR,

# EXHIBIT "A"

OVERHEAD ELECTRIC EASEMENT ACROSS: BASSET CALIFORNIA, LLC 3205 BASSETT ST. SANTA CLARA, CALIFORNIA 95054 APN: 101-11-003

EASEMENT AREA: 6,100 SQ.FT. ±

MOT WALLIO WINILESS SIGNED & SEALED

SVP REF: SC 1X-1XX

#### DESCRIPTION:

The westerly 15,00 feet of the parcel of land conveyed in that certain Grant Deed recorded March 22, 2023 as Document No. 25452253, in the Office of the Recorder of Santa Clara County (ORSCC), herein after referred to as the Grantor's Parcel, located in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

COMMENCING at a monument located along the centerline of Bassett Street; thence North 1°06'00" East 264.07 feet along the centerline of said Bassett Street (as shown on Page 2 of this Exhibit); thence South 88°54'00" East 33.00 feet to the easterly right-of-way of said Bassett Street and the POINT OF BEGINNING; thence North 1°06'00" East 416.40 feet to the northerly line of said Grantor's Parcel; thence South 34°10'14" East 25.98 feet along said northerly line; thence South 1°06'00" West 395.19 feet to the southerly line of said Grantor's Parcel; thence North 88°54'00" West 15.00 feet along said southerly line to the POINT OF BEGINNING.

CONTAINING: 6,100 sq. ft., more or less! ON PRESENTE REPORT OF THE PROPERTY OF

THIS DRAWING SHOULD BE USED ONLY AS A REPRESENTATION OF THE LOCATION OF THE EASEMENT BEING CONVEYED. THE EXACT LOCATION OF ALL STRUCTURES. LINES AND APPURTENANCES IS SUBJECT TO CHANGE WITHIN THE BOUNDARIES OF THE RIGHT OF WAY HEREIN GRANTED BY: GAB CHK: GHH APP: JJC

REV: 0 DATE: 10-7-24

> CONSULTANTS INC SALT LAKE CITY, UTAH

680 West 700 South Woods Cross, UT 84087 (801) 292-9954

BASSET CALIFORNIA, LLC APN: 101-11-003 3205 BASSETT ST. SANTA CLARA, CALIFORNIA 95054

SCALE:



SHEET: 1 of 2

SVP REF: SC 1X-1XX **EXHIBIT "A"** OVERHEAD ELECTRIC EASEMENT ACROSS: BASSET CALIFORNIA, LLC 3205 BASSETT ST. NOT VALID SANTA CLARA, CALIFORNIA 95054 UMLESS APN: 101-11-003 EASEMENT AREA: 6,100 SQ,FT. ± SEALED CL MON BASSETT STREET S 34°10'14" E 25.98" 01°06'00" W 395.19 BASSETT ST Basis of Bearings N 01°C6'00" E PROJECT I.D. 18 CALIFORNIA, LLC 101-11-003 N 88°54'00" W 15.00' S 88°54'00" E 33.00' (TIE) (TIE) 264.07 LEGEND CL MON-EASEMENT AREA ROADWAY PLATTED CENTERLINE POWERLINE REFERENCE LINE FOUND SURVEY MONUMENT THIS DRAWING SHOULD BE USED ONLY AS A REPRESENTATION OF THE LOCATION OF THE EASEMENT BEING CONVEYED. THE EXACT LOCATION OF ALL STRUCTURES, LINES AND APPURTENANCES IS SUBJECT TO CHANGE WITHIN THE BOUNDARIES OF THE RIGHT OF WAY HEREIN GRANTED BY: GAB CHK: GHH APP: JJC DATE: 10-7-24 SCALE: 1" = 100' REV: 0 BASSETT CALIFORNIA, LLC APN: 101-11-003 POWER. 3205 BASSETT ST. SALT LAKE CITY, UTAH

SANTA CLARA, CALIFORNIA 95054

West 700 South Woods Cross, UT 84087 (801) 292-9054

SHEET; 2 of 2



3160 Crow Canyon Place, Suite 245 San Ramon, CA 94583 925.327.1660 phone 408-279-3428 fax valbridge.com

### Appendix A

October 8, 2024

City of Santa Clara
Overhead Electric Easement
Appraisal Summary Statement And
Summary of the Basis for Just Compensation
(Pursuant to Government Code Section 7267.2)

The following is a statement of and summary of the basis for the appraisal and the amount that Silicon Valley Power has established as just compensation required by California Government Code Section 7267.2. The appraisal on which this summary is based was made in accordance with accepted appraisal principles, consistent with California valuation law.

The purpose of this appraisal is to estimate the fair market value of the proposed acquisition appraised. Section 1263.320 of the Code of Civil Procedure defines fair market value as:

- A. The fair market value of the property taken is the highest price on the date of valuation that would be agreed to by a seller, being willing to sell but under no particular or urgent necessity for so doing, nor obliged to sell, and a buyer, being ready, willing and able to buy but under no particular necessity for so doing, each dealing with the other with full knowledge of all the uses and purposes for which the property is reasonably adaptable and available.
- B. The fair market value of property taken for which there is no relevant market is its value on the date of valuation as determined by any method of valuation that is just and equitable.

The date of value August 8, 2024, which was the date of inspection.

The intended use of this appraisal is for potential acquisition of easement access rights, which is called the Overhead Electric Easement. The intended user is Silicon Valley Power.



The scope of work included inspecting the property, research and analysis of comparable data, and highest and best use analysis.

The appraised rights are further identified as follows:

1) The fair market value of a 6,100-square-foot permanent easement.

### Statement of the Amount Established as Just Compensation

The amount Silicon Valley Power has established as just compensation for the property rights described in the accompanying offer is: \$154,000 (One Hundred Fifty-Four Thousand Dollars).

# Summary of Basis for the Amount Established as Just Compensation

This Summary of the Basis for the Amount Established as Just Compensation (prepared pursuant to Government Code Section 7267.2) is a summary of the appraisal used by Silicon Valley Power to determine the amount it established as just compensation for an easement.

# (A) Property Identification - Subject Property

Owner of Record:

Basset California LLC

Assessor's Parcel Numbers (APNs):

Santa Clara County Assessor's Parcel Number (APN)

101-11-003.

**Property Address:** 

3205 Bassett Street, Santa Clara, Santa Clara County,

California 95054.

**Property Transfers in the Past** 

Three Years:

The property was sold from SPIRIT AT 3205 BASSETT CA LP

to Basset California LLC for \$13,300,000 in March 2023. This

was an all-cash deal.

General Character of

Interest Being Appraised:

Larger Parcel Land Size:

Easement

53,578 square feet

Improvements:

There is an existing data center on the property.

Topography:

Level

Shape:

Irregular

Access:

Access to the Larger Parcel is available off of Bassett Street.



Utilities: Typical municipal and public utilities are available.

Environmental Conditions: We did not receive a Phase I report for the Subject

Property, and we assume there are no adverse

environmental conditions.

Date of Valuation: August 8, 2024

Highest and Best Use The most probable use of a property which is physically

possible, appropriately justified, legally permissible, financially feasible, and which results in the highest value

of the property being valued.

Highest and Best Use -

As If Vacant:

Industrial development

Highest and Best Use -

As Improved:

Existing use

Present Use

Subject Property:

The Larger Parcel is currently used as a data center property.

Applicable Zoning:

ML (also known as LI) - Light Industrial

#### (B) Approaches Used in the Appraisal

We employed the "before" and "after" methodology for the Larger Parcel. In the "before" condition, we have not considered the Project.

In the "after" condition, we have considered the impacts attributed to the proposed easement and the Project.

Three methods of valuation can be applied to the appraisal of land. The most often used approach is the Direct Sales Comparison Approach. This method involves the comparison of the subject with recent sales of comparable properties.

A second method of land appraisal is the Land Development Approach. This approach involves estimating the development costs of installing all utilities and off-sites. These costs can be subtracted from a known improved lot value (established by sales comparison) to arrive at an estimate of raw land value or added to the known raw land value to arrive at the value of an improved site.

The third method employed is an Income Residual Method. An estimate is made of the potential net income, which can be earned from the site improved with buildings. The cost of these improvements



is estimated to determine the portion of the income needed to supply a fair return on these costs. The residual income is available for a return on the land. Therefore, this income is capitalized into an indicated land value.

For purposes of this appraisal, the Sales Comparison Approach has been employed. Sufficient sales data was available that it was felt this method yielded a reliable result. This is the method that would most often be applied by a typical buyer of this type of property. The comparable sales are provided in Exhibit A.

#### Sales Comparison Approach

The sales comparison approach is used to derive a value indication by comparing the property being appraised to similar properties that have sold recently, applying appropriate units of comparison, and making adjustments to the comparables based on the elements of comparison.

Based on our analysis of sale comparables provided in Exhibit A, we estimate the land value of the Larger Parcel to be \$5,357,800 (land only). This is based on a price per square foot of land of \$100 x 53,578 square feet.

#### (C) Value of Part Taken

We have valued the part taken next. This consists of the value of the permanent easement and one tree in the easement area that will be removed.

#### Permanent Easement

In the "after" condition, the highest and best use of the Larger Parcel remains for continuation of the existing use.

For this valuation, the rationale for estimating the easement value can be shown as an equation:

#### Fee simple land value x % of fee rights being acquired = easement value

Based on our experience, an easement that is solely for subsurface utilities, as one example, may command a 10-35% share of the fee rights. As another example, exclusive control of surface rights may capture 90-100% of the fee simple value.

The subject is a perpetual easement. The grantor has significant remaining rights at the surface, landscaping, parking and signage for example. We estimate that the easement encumbers 25% of the total bundle of rights.

Therefore, the fair market value for the permanent easement is estimated at  $\underline{\$154,120}$ , or 6,100 square feet x  $\$100 \times 25\% + \$1,620$  for one tree.

#### (D) Severance Damages/Benefits Analysis

Severance damages and benefits involve measuring the effect that the "acquisition" and "Project" have on the value of the property remaining, i.e., on the "remainder."

The acquisition is not expected to result in any severance damages to the remainder.



The highest and best use of the Larger Parcel upon partial acquisition is unchanged, relative to the "before" condition. We have not identified any damages from the Project.

Benefits result when the value of the remainder increases because of either the Project or the acquisition. Any resulting benefits are offset only against severance damages and not against acquisition value.

Each case for benefits is unique. In the case of the subject, we envision that the electric utility upgrades would be superior relative to the existing conditions. Since we have not identified any severance damages, we have not quantified any potential benefits.

(E) Conclusion of Just Compensation and Value in the "After" Condition
The market value of the acquisition is shown on the following page.



	Summary of Valuation		
A.	Land Value of the whole before acquisition:		\$5,357,800
В.	Value of the part acquired as part of the whole:		\$154,120
	Permanent Easement (\$100 x 6,100 SF x 25%) Site Improvements (e.g. trees)	\$152,500 \$1,620	
C.	Value of the remainder as part of the whole: (Line A less Line B)		\$5,203,680
D.	Value of the remainder after the acquisition and before consider (Line C - Line E)	ation of benefits	\$5,203,680
E.	Severance Damages/Cost to Cure		\$0
F.	Value of the remainder after the acquisition and after considering	g benefits	\$5,203,680
G.	Benefits (Line F less Line D)		
Н.	Net Damages or Net Benefits (Line E minus Line G)		\$0
	Plus: TCE: Total		<u>\$0</u> \$0
l.	Market Value of the Acquisition (Just Compensation) (Line B plus	Line H)	\$154,120 \$0
	Subtotal Rounded		\$154,120 <b>\$154,000</b>

The resulting land value of the remainder in the "after" condition is \$5,203,680, or \$5,357,800 - \$154,000.



The fair market value for the acquisition is, \$154,000, as summarized below:

Value Conclusions: 3205 Bassett Street

	Permanent Easement	Site Improvements	Net Severance Damages	Total Fair Market Value
Value Type	Fair Market Value	Fair Market Value	Fair Market Value	Fair Market Value
Property Rights Appraised	Permanent Easement			Acquisition
Date of Value	August 8, 2024	August 8, 2024	August 8, 2024	8/8/20024
Fair Market Value	\$152,500	\$1,620	\$0	Total: \$154,000 (rounded)

The previous is a summary of the appraisal prepared at the request of Silicon Valley Power to comply with Government Code Section 7267.2 that fairly and correctly states my opinions and knowledge.

Dated: October 8, 2024

Josh Fronen, MAI

Managing Director

California Certified License #AG028548

License Expires 12-18-2025



# Addenda

Exhibit A: Land Sales Exhibit B: Easement Area Office Locations



# Exhibit A: Land Sales

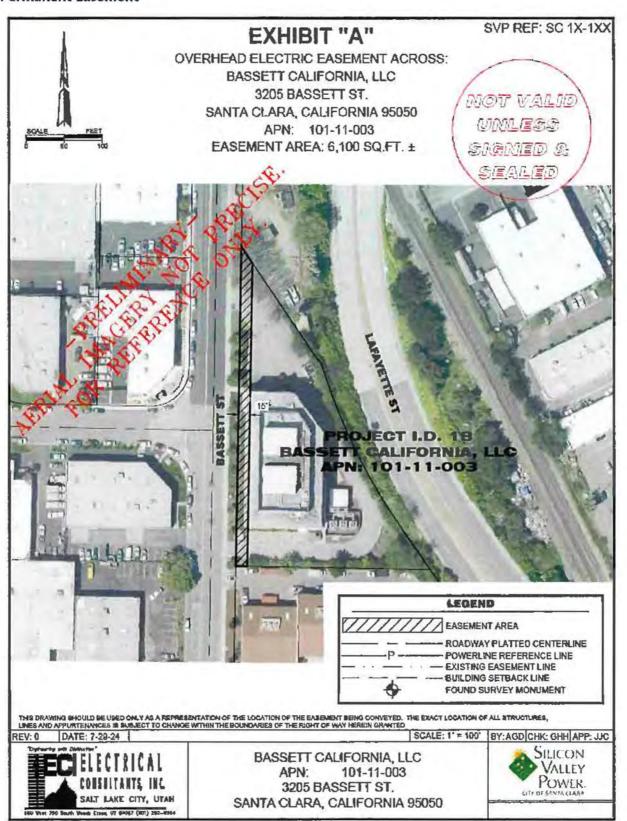
#### Comparable Sales Summary

No.	Address	COE date	Land SF	Sale Price	Price per SF of Land	Grantor / Grantee and Recording #
1	735 Reed Street Senta Clara	Feb-22	47,044	\$ 5,000,000	\$106.28	Farahani, Alireza 735 Reed Street LLC Recording #25249526
2	1045 Commercial Court San Jose	Jan-23	108,028	\$ 6,500,000	\$60,17	Anderson Graves LLC 1045 Commercial Court LLC Recording #25431855
3	868 Parker Street Santa Clara	Jul-24	39,048	\$ 4,900,000	\$125.49	ABC Manufacturing Co. 840 Parker Street LLC Recording #25661169



# Exhibit B: Easement Area

#### **Permanent Easement**





- Valbridge is North America's largest independent commercial appraisal firm.
- Valbridge provides custom appraisal reports in the U.S., Canada, and Puerto Rico.
- · Valbridge specializes in appraising all types of real property.
- Valbridge provides independent valuation services. We are NOT owned by a brokerage firm or investment company.
- Every Valbridge office is overseen by a Senior Managing Director who holds the MAI designation of the Appraisal Institute.
- Valbridge is owned by local offices.
- Valbridge welcomes single-property assignments as well as portfolio, multi-market, and other bulk-property engagements.

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Valbridge Property Advisors, Inc. Phone: 888.981.2029 valbridge.com







#### VALBRIDGE PROPERTY ADVISORS OFFICE LOCATIONS

#### ALABAMA

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4245 Balmorat Dr. SW, Unit #201 Huntsville, AL 35801 (256) 210-1555

4732 Woodmere SNd. Montgomery, AL 36106 (334) 277-5077

#### CALIFORNIA

3160 Crow Canyon Pl. Sen Ramon, CA 94583 (925) 327-1660

825 Colorado Blvd., Ste. 201 Los Angeles, CA 90041 (626) 486-9327

17822 17<sup>th</sup> St., Ste. 211 Tustin, CA 92780 (714) 449-0852

775 Sunrise Ave., Ste. 260 Roseville, CA 95661 (916) 361-2509

1530 The Alameda, Ste. 100 San Jose, CA 95126 (408) 279-1520

## COLORADO

5345 Arapahoe Ave., Ste. 6 Boulder, CO 80303 (303) 867-1935

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301 Almeria Ave., Ste. 350 Coral Gables, FL 33134 (305) 639-8029

3780 Burns Rd., Ste. 4 Palm Beach Gardens, FL 33410 (561) 833-5331

3033 Riviera Dr., Ste. 106 Naples, FL 34103 (239) 514-4646

#### IDAHO

3910 S. Yellowstone Hwy., Ste. B5 Idaho Falls, ID 83402 (208) 534-5505

1875 N. Lakewood Dr., Ste. 100 Coeur d'Alene, ID 83814 (208) 292-2965

#### **BLUNOIS**

566 W. Lake St., Ste. 240 Chicago, IL 60661 (312) 429-0132

#### INDIANA

6801 Lake Plaza Dr., Ste. C-301 Indianapolis, IN 46220 (317) 687-2747

#### KANSAS

10990 Quivira Rd., Ste. 100 Overland Park, KS 66210 (913) 451-1451

#### KENTUCKY

1890 Star Shoot Pkwy. Lexington, KY 40509 (502) 585-3651

#### KENTUCKY (CONT'D)

9401 Williamsburg Plaza, Ste. 204 Louisville, KY 40222 (502) 585-3651

#### MARYLAND

11100 Dovedale Ct. Marriottsville, MD 21104 (443) 333-5525

#### MASSACHUSETTS

260 Bear Hill Rd., Ste. 106 Waltham, MA 02451 (781) 790-5645

#### MICHIGAN

1420 Washington Blvd. Detroit, MI 48226 (313) 986-3313

2127 University Park Dr. Okernos, MI 48864 (517) 236-0001

#### MINNESOTA

1515 Central Pkwy., Ste. 120 Eagan, MN 55121 (651) 370-1475

#### MI55ISSIPPI

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224 Avaion Cir. Brandon, MS 39047 (601) 853-0736

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Each Valbridge office is independently owned and operated.



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1575 Delucchi Ln., Ste. 209 Reno, NV 89502 (775) 204-4100

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3121 Quali Springs Pkwy., Ste. 150 Oklahoma City, OK 73134 (405) 603-1553

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900 West Valley Rd., Ste. 503 Wayne, PA 19087 (215) 545-1900

4701 Baptist Rd., Ste. 304 Pittsburgh, PA 15227 (412) 881-6080

#### SOUTH CAROLINA

1250 Fairmont Ave. Mt. Pleasant, SC 29464 (843) 884-1266

11 Cleveland Ct. Greenville, SC 29607 (864) 233-6277

920 Bay St., Ste. 26 Beaufort, SC 29902 (843) 884-1266

#### TENNESSEE

3500 Ringgold Rd., Ste. 3 Chattenooge, TN 37412 (423) 206-2677

213 Fox Rd. Knoxville, TN 37922 (865) 522-2424

756 Ridge Lake Blvd., Ste. 225 Memphis, TN 38120 (901) 753-6977

5205 Maryland Way, Ste. 202 Brentwood, TN 37027 (615) 369-0670

#### TEXAS

901 Mopac Expy. S., Bldg. 1, Ste. 300 Austin, TX 78746 (737) 242-8585

10210 North Central Expy., Ste. 115 Dallas, TX 75231 (214) 446-1611

974 Campbell Rd., Ste, 204 Houston, TX 77024 (713) 467-5858

2731 81st St. Lubbock, TX 79423 (806) 744-1188

9901 JH-10 West, Ste. 1035 San Antonio, TX 78230 (210) 227-6229

#### UTAH

527 E. Ptoneer Rd., Ste. 240 Draper, UT 84020 (801) 262-3388

20 North Main SL St. George, UT 84770 (435) 773-6300

321 N. County Blvd., Ste. D American Fork, UT 84003 (801) 492-0000

#### VIRGINIA

656 Independence Pkwy., Ste. 220 Chesapeake, VA 23320 (757) 410-1222

1231 Alverser Dr. Midlothian, VA 23113 (757) 345-0010

\$107 Center St., Ste. 28 Williamsburg, VA 23188 (757) 345-0010

#### WASHINGTON

8378 W. Grandridge Blvd., Ste. 110-D Kennewick, WA 99336 (509) 221-1540

324 N. Mullan Rd. Spokane Valley, WA 99206 (509) 747-0999

#### WISCONSIN

12660 W. North Ave. Brookfield, WI 53005 (262) 782-7990

NORTH AMERICA'S LARGEST INDEPENDENT COMMERCIAL VALUATION FIRM





DE06		<b>011110</b>	
KESC	)LU I I	ON NO	).

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF CERTAIN REAL PROPERTY INTERESTS FOR A PUBLIC PROJECT AND DIRECTING THE FILING OF EMINENT DOMAIN PROCEEDINGS

WHEREAS, the City of Santa Clara (hereinafter the "City"), a chartered city and municipal corporation acting by and through its municipally owned utility, Silicon Valley Power (hereinafter "SVP"), is engaged in a continuing effort to upgrade and enhance its overhead and underground distribution and transmission systems to meet new customer demand and to maintain the reliability of SVP's electric system. The upgrades and enhancements require a new 115-kilovolt (kV) transmission line connecting the Northern Receiving Station (NRS) and the Kifer Receiving Station (KRS) (the "Project);

WHEREAS, the Project will enable SVP to transfer additional power, balance electric loads across the City's three receiving stations, and enhance overall system reliability;

WHEREAS, the Project will involve the construction, installation, placement, operation, and maintenance of transmission and distribution electric facilities and result in either the expansion of existing easements or the acquisition of new easements;

WHEREAS, it is desirable and necessary for the City to acquire the real property interests necessary for the Project located at 3205 Bassett Street, Santa Clara, CA 95054 (the "Subject Property Interests"), as more fully described and depicted in Exhibit A and Exhibit B; WHEREAS, the City is vested with the power of eminent domain to acquire real property interests by virtue of Section 19 of Article I of the California Constitution, California Government

Code section 37350.5, California Public Utilities Code section 612, and California Code of Civil

Procedure sections 1240.010 and 1240.220;

WHEREAS, the City conducted an appraisal of the Subject Property Interests and, pursuant to the provisions of Section 7267.2 of the California Government Code, the City has made an offer to the owner of record to acquire the Subject Property Interests for the amount which it has

Resolution/Acquisition of Certain Real Property Interests

established to be just compensation;

WHEREAS, the City determined the Owner of Record based on the name and address appearing on the last equalized county assessment roll notice in connection with the Subject Property Interests;

**WHEREAS**, the Owner of Record has not accepted the City's offer;

WHEREAS, pursuant to the provisions of the California Code of Civil Procedure Section 1245.235, the City provided notice to the owner of record of 3205 Bassett Street, Santa Clara, CA 95054 that the City Council intends to adopt a resolution of necessity and the right of the owner of record to appear before the City Council and heard; and

WHEREAS, on October 8, 2024, by Resolution No. 24-9386, the City Council certified the Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program (MMRP) for the Project in accordance with California Environmental Quality Act (CEQA), and the actions proposed herein require no further environmental review is necessary pursuant to CEQA.

#### NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

- 1. That the above Recitals are true and correct and by this reference made a part hereof.
- 2. That the Report to Council accompanying this resolution is true and correct and by this reference made a part hereof.
- 3. That the Recitals and the Report to Council support the City Council's findings below:
  - A. The public interest and necessity require the Project.
- B. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
- C. The Subject Property Interests sought to be acquired are necessary for the Project.
  - D. All environmental review required by law has been prepared and adopted.
  - E. The offer required by Section 7267.2 of the California Government Code has

Rev: 7/27/2023

been made to the Owner(s) of Record of the Subject Property Interests.

- F. The necessary notice of hearing has been given, as required by Code of Civil Procedure section 1245.235.
- 4. That the City Attorney or his duly authorized designee is hereby authorized and directed to institute and conduct to conclusion an action in eminent domain for the acquisition of the estates and interests aforesaid and to take such actions as he may deem advisable or necessary in connection therewith.
- 5. That the City may deposit with the State Treasury the probable amount of compensation and obtain an order for prejudgment possession of the Subject Property Interests.
- 6. Effective date. This resolution shall become effective immediately.

  I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE \_\_\_ DAY OF \_\_\_\_\_\_\_, 20\_\_, BY THE FOLLOWING VOTE:

  AYES: COUNCILORS:

  NOES: COUNCILORS:

  ABSENT: COUNCILORS:

  ABSTAINED: COUNCILORS:

  ATTEST: \_\_\_\_\_\_\_

  NORA PIMENTEL, MMC

Attachments incorporated by reference:

- 1. Exhibit A Subject Property Interests Overhead Electric Utility Easement
- 2. Exhibit B Exhibit A Description

ASSISTANT CITY CLERK CITY OF SANTA CLARA



June 16, 2025

Basset California, LLC Attn: Rose Greenwich 100 Field Point Rd. Greenwich, CT 06830

Re: NRS-KRS 115kV Transmission Line Project

Property Address: 3205 Bassett Street, Santa Clara, CA 95054

APN: 101-11-003

Dear Ms. Greenwich:

As you know, the City of Santa Clara ("City") has approved plans to construct its new 115 kilovolt (kV) overhead transmission line from the Northern Receiving Station (NRS) to Kifer Receiving Station (KRS) Project ("Project"). In order to construct the Project, the City requires an overhead electric easement from you at the property located at 3205 Bassett Street, Santa Clara, CA 95054 ("Property").

We have not come to an agreement for a voluntary sale of these easement rights; therefore, the City Council will hold a hearing and consider adopting a Resolution of Necessity. If adopted, the Resolution of Necessity functions as a declaration that public use and necessity requires the acquisition of an overhead electric easement on the Property for the Project. To that end, please find enclosed a Notice of Intention to Adopt Resolution of Necessity, stating that the hearing before the City Council is scheduled for July 8, 2025. If you wish to appear at the hearing and address the City Council, please complete the enclosed Request to be Heard and return it to the City Clerk in advance of the hearing.

Sincerely,

Nico Procos

Acting Director of Silicon Valley Power

# CITY OF SANTA CLARA NOTICE OF INTENTION TO ADOPT RESOLUTION OF NECESSITY TO ACQUIRE REAL PROPERTY INTEREST FOR NRS-KRS 115KV TRANSMISSION LINE PROJECT

YOU ARE HEREBY NOTIFIED, pursuant to Section 1245.235 of the California Code of Civil Procedure, that the City of Santa Clara intends to consider adoption of a Resolution of Necessity to Condemn Interest in Real Property for a new 115 kilovolt (kV) overhead transmission line from the Northern Receiving Station (NRS) to Kifer Receiving Station (KRS) Project (Project). The interest to be acquired is an Overhead Electric Easement as described and depicted in Exhibit A and Exhibit B.

NOTICE IS FURTHER GIVEN, that on July 8, 2025 at 7:00 p.m. or as soon thereafter as the matter can be heard, at the City Council Chambers, City Hall, 1500 Warburton Ave. Santa Clara, California, the City Council will hear all protests in relation to the adoption of the proposed Resolution of Necessity authorizing the filing of eminent domain proceedings for the acquisition of the Overhead Electric Easement as described above.

At said hearing, the City Council may establish the following:

- The public interest and necessity require the Project.
- The Project is planned or located in the manner that will be the most compatible with the greatest public good and the least private injury.
- 3. The property sought to be acquired is necessary for the Project.
- The environmental review required by law has been prepared and adopted.
- The offer required by Section 7267.2 of the Government Code has been made to the owner(s) of record for the full amount established as the fair market value of the property.

YOU ARE HEREBY NOTIFIED that you may appear at the hearing and be heard on Items 1, 2, 3, 4, and 5 above only. If you wish to appear and be heard on these matters, please submit a written request within fifteen days of the date of mailing of this notice. Please direct any such requests to:

City Clerk City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050

The enclosed "Request to be Heard" form may be used which is attached hereto as Exhibit C. Failure to file a written request to appear and be heard within fifteen days

after the mailing of this Notice may result in a waiver of your right to be heard. (California Code of Civil Procedure Section 1245.235(b)(3).)

Sincerely,

Nico Procos

Acting Director of Silicon Valley Power

#### **EXHIBIT A**

# **EXHIBIT "A"**

SVP REF:

OVERHEAD ELECTRIC EASEMENT ACROSS:
BASSET CALIFORNIA, LLC
3205 BASSETT ST.
SANTA CLARA, CALIFORNIA 95054
APN: 101-11-003
EASEMENT AREA: 6,100 SQ.FT. ±

#### DESCRIPTION:

The westerly 15.00 feet of the parcel of land conveyed in that certain Grant Deed recorded March 22, 2023 as Document No. 25452253, in the Office of the Recorder of Santa Clara County (ORSCC), herein after referred to as the Grantor's Parcel, located in the City of Santa Clara, County of Santa Clara, State of California, described as follows:

COMMENCING at a monument located along the centerline of Bassett Street; thence North 1°06'00" East 264.07 feet along the centerline of said Bassett Street (as shown on Page 2 of this Exhibit); thence South 88°54'00" East 33.00 feet to the easterly right-of-way of said Bassett Street and the POINT OF BEGINNING; thence North 1°06'00" East 416.40 feet to the northerly line of said Grantor's Parcel; thence South 34°10'14" East 25.98 feet along said northerly line; thence South 1°06'00" West 395.19 feet to the southerly line of said Grantor's Parcel; thence North 88°54'00" West 15.00 feet along said southerly line to the POINT OF BEGINNING.

CONTAINING: 6,100 sq. ft., more or less.

217/25

THIS DRAWING SHOULD BE USED ONLY AS A REPRESENTATION OF THE LOCATION OF THE EASEMENT BEING CONVEYED. THE EXACT LOCATION OF ALL STRUCTURES. LINES AND APPURTENANCES IS SUBJECT TO CHANGE WITHIN THE BOUNDARIES OF THE RIGHT OF WAY HEREIN GRANTED.

REV: 0 DATE: 2-7-25

SCALE:

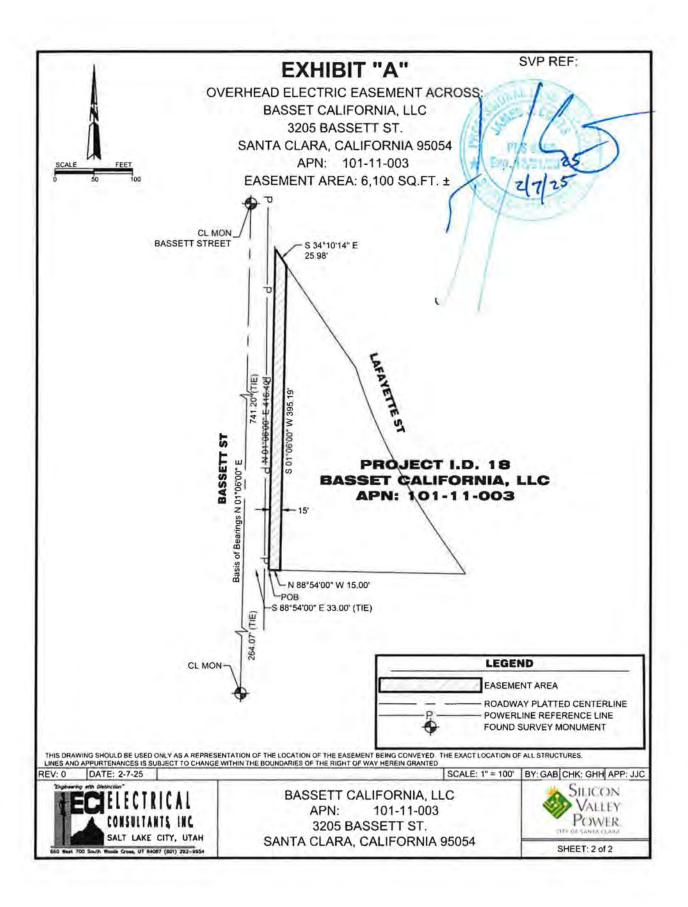
A BY: GAB CHK: GHH APP: JJC



BASSET CALIFORNIA, LLC
APN: 101-11-003
3205 BASSETT ST.
SANTA CLARA, CALIFORNIA 95054



SHEET: 1 of 2



#### **EXHIBIT B**

# **Exhibit A Description**

[i] a 6,100 square foot permanent Easement in, on, over, along and across the real property described and depicted in Exhibit "A" ("Easement Area") for the purpose of constructing and reconstructing, installing, operating, inspecting, maintaining, repairing, removing and/or replacing overhead electrical transmission, distribution and/or communication systems, and appurtenances thereto, including a reasonable right of ingress and egress over adjoining lands of fee owner. In exercising said right of ingress and egress, easement holder shall, wherever practical, use existing roads and lanes across lands of fee owner, if such there be, and if not, by such route or routes as shall result in the least practicable inconvenience to fee owner and any occupants of fee owner's property.

The overhead system will consist of poles, wire supports, wires and conductors suspended from pole to pole, transformers and other equipment mounted on the poles, anchors, guy attachments, and other appurtenances.

Portions of the Easement Area may be used by the fee owner for driveway(s), landscaping (excluding trees), and parking, as will not interfere with the easement holder's use of the Easement. Any other use of the Easement Area by fee owner shall be subject to easement holder's express written consent and only after easement holder's review of plans and specifications and determination that such use will not interfere with its use of the Easement. Easement holder may trim any trees or remove any tree or structure which are in or adjacent to the Easement Area which, in easement holder's reasonable determination, interferes with its use of the Easement. Easement holder may trim any trees or remove any tree which is in or adjacent to the Easement Area which exceeds a height of 20 feet or poses a risk of falling onto the easement holder's facilities or equipment located within the Easement.

# EXHIBIT C

# REQUEST TO BE HEARD

Date:	, 2025
To:	Nora Pimentel, Assistant City Clerk City of Santa Clara 1500 Warburton Avenue Santa Clara, CA 95050
Dear	ls. Pimentel:
Clara	dersigned hereby requests the opportunity to be heard on the City of Santa Notice of Intention to Adopt Resolution of Necessity to Condemn Real Property, the agenda of July 8, 2025.
	Sincerely,
	Signed:
	Print Name:
	Address:



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-457 Agenda Date: 7/8/2025

#### REPORT TO COUNCIL

#### SUBJECT

Public Hearing: Consideration of Various Actions to Amend the City Place Santa Clara Project (PLN24-00060) Located at 5155 Stars and Stripes Drive to Provide for a New Scheme C Land Use Scenario to add Light Industrial as a Permitted Land Use on Parcels 1 and 2, Replacing the Originally Planned Office Uses and Transferring Unused Development Intensity to Parcel 4 and to Implement Other Project Changes

#### COUNCIL PILLAR

Promote and Enhance Economic, Housing and Transportation Development

# **EXECUTIVE SUMMARY**

The Related Santa Clara project ("the Approve Project"), a public-private partnership located on 240 acres of City-owned land across from Levi's Stadium, is envisioned as a major regional destination for a new mixed-use residential, retail, office, hotel and industrial development near transit. On January 31, 2024, Related Santa Clara, LLC ("applicant") submitted an application (PLN24-00060) for a re-zone to amend the 2016 Master Community Plan (MCP) by introducing a new "Scheme C" land use scenario. The application also includes a General Plan amendment a Development Agreement (DA) amendment, and a Disposition and Development Agreement amendment, the environmental effects of which were analyzed in an addendum to the project's previously certified EIR. The applicant proposes to add Light Industrial as a permitted land use on Parcels 1 and 2, replacing the originally planned office uses, and transferring unused development intensity to Parcel 4. These changes are a response to significant post-pandemic shifts in real estate markets particularly declining demand for office space, rising construction costs, and broader economic challenges. Parcels 4 and 5, comprising the project's "City Center," would retain their dense, mixeduse focus with retail, office, hotel, and residential uses, while Parcel 3 remains designated for a public park.

The proposed changes maintain the project's original 9.16 million gross square feet and overall vision while aligning land uses with current market demand. Scheme C is intended to accelerate development on City land by allowing for industrial land uses that could include advanced manufacturing and data center uses on Parcels 1 and 2, helping to finance subsequent phases and enhancing the long-term viability of the project. At the May 6, 2025, City Council Study Session, the applicant reiterated its commitment to the project's vision, including the creation of a walkable, transit -oriented urban district and an increase in affordable housing in Phases 2 and 3 of the project from 10% to 15% at deeper levels of affordability than originally approved.

The City Council is being asked to consider proposed amendments to the Related Santa Clara project to introduce the potential to develop light industrial uses on Parcels 1 and 2 and reallocate unused development intensity to Parcel 4. The Council is being asked to approve related

amendments to the General Plan, Zoning Code, Master Community Plan, Development Agreement and Disposition and Development Agreement. Staff recommends that the City Council adopt the resolutions approving the General Plan, Zoning and Disposition and Development Agreement amendments and introduce an ordinance approving the Development Agreement amendment, which will help align the project with current market conditions and support continued progress toward full build-out of the site.

## BACKGROUND

The Related Santa Clara project (previously known as "City Place" and referred to herein as the "Project") is a 240-acre public-private partnership between the City of Santa Clara and Related Santa Clara, LLC, located directly across from Levi's Stadium at 5155 Stars and Stripes Drive in Santa Clara. Approved by the City Council in 2016, the project was envisioned as a vibrant, regional mixed-use district anchored by office, residential, hotel, retail, and entertainment uses. At full build-out, the project would comprise up to 9.16 million square feet of development across five major parcels and seven construction phases. The project site is designated Urban Center/Entertainment District in the General Plan and zoned Planned Development - Master Community (PD-MC).

# The 2016 approvals included:

- Certification of the City Place Santa Clara Environmental Impact Report (EIR);
- Adoption of a Master Community Plan (MCP);
- · Rezoning of the site to PD-MC; and
- Approval of a Development Agreement (DA) and Disposition and Development Agreement (DDA).

The environmental review for the Related Santa Clara project has been conducted in compliance with the California Environmental Quality Act (CEQA). In 2016, the City Council certified the original Environmental Impact Report (EIR) for the full 240-acre mixed-use development and adopted a set of CEQA findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program ("MMRP"). Since then, three CEQA addenda have been adopted: the first in March 2020 for the approval of Development Area Plan 1 (DAP 1) on Parcel 5; the second in July 2020 for Development Area Plan 2 (DAP 2) on Parcel 4; and the third for the City Place Revised Soil Important and Earthwork Plans Project in 2020. For the current proposed Scheme C amendment, a fourth CEQA Addendum has been prepared.

The MCP includes two initial conceptual land use schemes-Scheme A and Scheme B-both of which allowed for office development on Parcels 1 and 2, as well as mixed-use residential, retail, and hospitality uses on Parcels 4 and 5. Parcel 3 was reserved for a future City Park. The MCP anticipates that the project will be implemented in multiple phases over several years. Development Area Plans (DAPs) provide the detailed planning and entitlements for each phase, translating the MCP into buildable, permit-ready projects for specific parcels. Since approval, two DAPs have been adopted: DAP 1 for Parcel 5 (Phase 1) and DAP 2 for a portion of Parcel 4 (Phase 2). Architectural materials reviews and a subdivision map have also been approved.

# **Project Location**

The project site is comprised of mostly vacant City-owned parcels, which totals approximately 240 acres, located at 5155 Stars and Stripes Drive in Santa Clara. It has a General Plan land use

designation of Urban Center/Entertainment District and is zoned Planned Development - Master Community (PD-MC). These actions were approved in 2016, along with the Environmental Impact Report (EIR), Mitigation Monitoring and Reporting Program (MMRP), and MCP for the full 240-acre site and a DDA and DA between the City and Related Santa Clara, LLC.

The project site comprises multiple legal parcels, which are generally referred to and described as five development parcels. For reference, see Attachment 14, Vicinity Map. Four of the development parcels are part of the former landfill that closed in 1994. Only Parcel 5 (8 acres on Tasman Drive across from Levi's Stadium) is not underlain by landfill.

Lafayette Street divides the project site with Parcels 1 and 2 to the east and Parcels 3, 4, and 5 to the west. The Union Pacific Railroad (UPRR) borders Parcels 3 and 4 on the west side of Lafayette Street. Stars and Stripes Boulevard runs parallel to Tasman Drive within the site on the west side of Lafayette Street. Centennial Boulevard provides access to the site from Tasman Drive through Parcel 5 and intersects Stars and Stripes Drive, bisecting Parcels 4 and 5.

# MCP Conformity

Future development on the site is required to conform to the MCP. Specifically, the MCP sets forth the development standards, design guidelines, project implementation procedures, development transfer provisions among parcels, permitted and conditional uses allowed within the proposed land use areas, and City approval standards for Development Area Plan (DAP) applications. It anticipates up to seven potential phases of development, each of which would be governed by a DAP. Two DAPs (DAP 1- File No. PLN2019-14186 and DAP 2- File No. PLN2019-14249) have been approved by the City Council. DAP 1 covers Parcel 5 and represents Phase 1 of the project; the applicant and the City have entered into a ground lease for Phase 1. DAP 2 covers a large portion of Parcel 4 and represents Phase 2 of the project.

#### City Council Study Session

On May 6, 2025, the City Council held a study session to review the progress and future direction of the Related Santa Clara project, with a focus on proposed amendments under Scheme C. City staff and consultants presented the project's history, existing entitlements, development milestones, and challenges-including litigation, pandemic delays, and complex permitting for the former landfill site. The proposed Scheme C maintains the mixed-use vision in the "City Center" on Parcels 4 and 5 while introducing the option to develop light industrial uses, including data centers, in place of office uses on Parcels 1 and 2 and increasing density within the City Center area. Economic conditions impacting office, retail, and hotel markets were discussed, along with the strong demand for data centers. Fiscal analysis indicated that Scheme C would generate approximately \$28.1 million annually in net General Fund revenue, comparable to previous plans. Council feedback was invited ahead of the Planning Commission hearing in June and the actions currently before the City Council.

#### June 2025 Planning Commission Meeting and Commission Recommendation

Following the May Study Session, a publicly noticed meeting on June 11, 2025, with the Planning Commission was held to review the proposed project. The Planning Commission recommended that the City Council approve the Addendum, the General Plan Amendment, the Zoning Amendment, and the Development Agreement Amendment. The General Plan Amendment recommendation was approved by a vote of 5-2, with the remaining recommendations being approved unanimously. The Disposition and Development Agreement involves the project's real estate and business terms, as opposed to land use issues, and therefore it is outside of the Planning Commission's purview and

was not presented to the Commission for a recommendation.

With the exception of the Zoning Amendment, the Planning Commission recommended that the Council approve the project as recommended by staff. With respect to the Zoning Amendment, the Planning Commission recommended changes with respect to the treatment of data centers. The draft Scheme C Supplement to the MCP defines three categories of data centers: Small Power Plant Exemption (SPPE) data centers, Non-SPPE data centers, and ancillary data centers. The Planning Commission recommended making all data centers conditional uses, subject to a conditional use permit that would be reviewed by the Planning Commission. Notwithstanding the Planning Commission's recommendations, staff continues to recommend that the City Council approve the Scheme C Supplement to the MCP as originally drafted. This would allow SPPE data centers as a use by right, with Non-SPPE data centers and ancillary data centers allowed subject to the Community Development Director's approval of a minor use permit.

#### DISCUSSION

On January 31, 2024, Related Santa Clara, LLC submitted an application (PLN24-00060) proposing an amendment to the 2016 MCP to introduce a new land use scenario, Scheme C. This proposal responds to changing market conditions and economic realities, including high office vacancies, reduced demand for new retail, rising interest rates and construction costs, and increased interest in advanced manufacturing and data centers.

Key Components of Scheme C include the following:

- 1. Introduction of Light Industrial Uses on Parcels 1 and 2
  - Replaces previously approved office uses with up to 1.6 million square feet of light industrial development, including data centers, logistics, warehousing, and advanced manufacturing.
  - SPPE (Small Power Plant Exemption) data centers permitted by right; Non-SPPE and ancillary data centers subject to Minor Use Permit.
  - o Incidental office, retail, and service uses are allowed to support industrial functions.

#### 2. Transfer of Development Intensity

- Unused development square footage from Parcels 1 and 2 would be transferred to Parcel 4 (City Center) to accommodate additional office or retail development.
- Total project build-out remains capped at 9.16 million square feet, consistent with the original MCP.

# 3. Preservation of City Center Vision

- Parcels 4 and 5 continue to serve as the heart of the project, featuring high-density residential, office, retail, and hotel uses in a pedestrian-oriented urban environment.
- Mixed-use development in the City Center will remain the focal point for community activity and regional attraction.

#### 4. Circulation and Site Access Modifications

Due to the decreased traffic associated with Scheme C as compared with Schemes A
or B, the previously proposed Lick Mill Boulevard extension is no longer needed to
reduce traffic impacts on the adjacent Tasman East residential area; this connection is
therefore modified under Scheme C to accommodate the reduction in bicycle and
pedestrian connections, but not other

 Analyze the potential to introduce a new connector bridge over Lafayette Street to link industrial parcels (1 and 2) to the City Center while maintaining pedestrian/bike access through the site.

# 5. Building Height Revisions

- Removes the 219-foot maximum height limit for Parcel 4 (City Center) to allow for buildings up to 10-12 stories, consistent with updated ALUC policies. ALUC review was not required for this change, as the project is outside of the zone for review. No further review is required by the ALUC.
- Parcels 1 and 2 would maintain a lower scale appropriate for industrial uses.

# 6. Design Guidelines for Industrial Uses

 Scheme C introduces Chapter 5C.4 to the MCP, outlining buffer zones, landscape screening, and design standards to minimize impacts of industrial uses on nearby residential neighborhoods.

The General Plan's Urban Center/Entertainment District designation supports a mix of regional and local uses including retail, hotel, employment, and urban housing. However, industrial uses are not currently permitted under this designation. A General Plan Amendment is required to allow light industrial as a permitted use under the MCP.

Scheme C is broadly consistent with General Plan goals and policies, particularly:

- Encouraging development at minimum intensities. The project retains its full 9.16 million square foot capacity.
- Supporting commercial development that respects surrounding neighborhoods. Buffering and truck route design address land use compatibility.
- Providing industrial employment opportunities while ensuring separation from residential areas and regulating hazardous materials.
- Promoting safety in hazardous material transport and storage.

The proposed amendments are also consistent with the purpose of the PD-MC zoning district, which allows for large-scale, phased, mixed-use developments. Zoning amendments are required to add light industrial land uses as allowed within the PD-MC zone and to add Scheme C as a permitted option within the MCP.

At the June 11, 2025, Planning Commission meeting, staff presented the applicant's proposal to

amend the 2016 MCP. Attachment 1 includes the Planning Commission Staff report with detailed analysis of the project. Project plans are included as Attachments 12 and 13. The Planning Commission discussion focused on the permitted uses on the northeast Parcels 1 and 2. The Commission deliberated on the possibility of adding additional uses such as, "Office Campus", "Education Campus" and "Medical Campus" to the list of permitted uses for the Light Industrial Parcels 1 and 2. Staff explained that since these uses were not analyzed in the environmental document, it would require a new environmental analysis in accordance with CEQA. It was explained that in the future, if these are desired uses, the applicant could come back with an amendment and analyze additional uses. The Commission also asked if housing could occur on the northeast parcels. In response, it was explained that the State Water Board capped the residential development for the project at 1,680 residential units, which has all been allocated to Parcels 4 and 5.

The Commission also discussed the possibility of data centers being allowed in the future as the MCP allows standalone SPPE data centers (50 Megawatts- 99 Megawatts) as permitted uses approved administratively at staff level. The Commission deliberated on recommending allowing data centers on only one of the Parcels or requiring them to come before the Planning Commission for approval.

The Commission inquired about the phasing of the project and the applicants reasoning for developing the northeast parcels ahead of the City Center on parcels 4 and 5. In response, the applicant team shared that currently the market does not support new office uses, but there is a demand for light industrial, warehouse type development, and that this change would allow them to move forward with the project in Parcels 1 and 2. Also, that in parallel, they would continue to work on the permits for City Center Parcel 5.

There was one public speaker present at the meeting. They shared that they were the previous owners of David's Restaurant, which was previously in operation at the project site and had to cease operation when the City applied eminent domain to allow the development of the site. They asked if the road would still go from there as planned or if that has changed. Staff confirmed that none of the proposed changes would alter the roadway. Staff also shared the email comments submitted on the project.

After their deliberation, the Planning Commission made a recommendation that City Council adopt the Addendum to the City Place Santa Clara EIR (2016 EIR) with a vote of 7-0. The Planning Commission made a recommendation that the City Council approve the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed

Light Industrial uses on Parcels 1 and 2 with a vote of 5-2. Further, the Planning Commission recommended approval of the Rezone with a vote of 7-0 to amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C with a modification to Chapter 3C.2 of MCP, page 21 of the MCP Scheme C to delete the SPPE data centers from the list under "Light Industrial Parcels- Parcels 1 and 2 Light Industrial Campus Development Permitted Uses" and to revise paragraph four under conditional uses so it applies to all data centers, and the Use Permit process be a Conditional Use Permit process determined by the Planning Commission rather than the Minor Use Permit process. The Planning Commission made a recommendation to the City Council to approve the Development Agreement as proposed with a vote of 7-0.

#### Land Transaction

<u>Development Agreement</u> - The 2016 Development Agreement (DA) has a 30-year term to allow for phased development of the project and vests the maximum density and intensity of uses; the maximum building heights and gross floor area of land uses; and the permitted uses. It also specifies that the developer must build a minimum of 200 housing units; that 10% of residential units must be affordable to households with income that does not exceed one hundred twenty percent (120%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time; the development fees that will be paid (including a voluntary regional fee and a voluntary contribution to the Santa Clara Valley Transit Authority (VTA)); the provisions concerning escalation of existing fees or imposition of new fees; and that all mitigation measures to minimize material adverse environmental impacts of the project must be implemented.

Proposed Development Agreement Amendment - The proposed amendments to the DA, Attachment 8, require that the original affordability contribution be replaced by more stringent requirements. Specifically, other than with respect to the initial 200 residential units in Phase 1, 15% of the units must be affordable to households with income that does not exceed one hundred percent (100%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time. Thus, there would be more affordable units built and at deeper levels of affordability. In addition, the proposed DA amendments require that the industrial uses within Scheme C would pay development impact fees and administrative fees at the levels as and when otherwise due, with no caps. Finally, the amended DA would add a regional traffic fee for industrial uses (similar to office uses) at \$1 per square foot.

<u>Disposition and Development Agreement</u> - The 2016 Disposition and Development Agreement (DDA) is the governing document for the phased implementation of the 240-acre mixed-use Related Santa Clara project. It includes detailed terms on project phasing, rent payments, and obligations for public improvements and services. The Schedule of Performance outlines the timing for DAP submittals, approvals, and take-downs, with force majeure and excusable delay provisions for extraordinary events (e.g., pandemics or regulatory delays). The ground rent begins at specified base rates for each phase (e.g., \$750,000 for Phase 1, increasing for later phases), escalating annually by 3%. Additional 10% increases are scheduled in certain years (e.g., Years 25, 35, etc.), and Fair Market Rent Adjustments occur in Years 20, 45, and 70, with defined caps and floors to ensure rent remains aligned with market conditions while recognizing extraordinary site costs.

The DDA also establishes obligations for infrastructure funding, public service contributions (e.g., for parks, fire, police), and affordable housing (initially set at 10% of residential units for moderate-income or below). Rent was calculated based on an "as-is" land value adjusted for the extraordinary costs of building over a former landfill, with the base ground rent reflecting a land valuation of \$115 million in 2016-substantially exceeding comparable market transactions at that time. Over the 99-year term, the rent structure is projected to generate \$6.4 to \$9+ billion, supporting long-term fiscal benefits for the City.

<u>Proposed Disposition and Development Agreement Amendment</u> Basic terms of the DDA Amendment, Attachment 9, include:

Phasing: The Developer may ground lease any of the three phases within Parcels 1 and 2 for

industrial development ahead of ground leasing Phase 2 within Parcel 4. (Phase 2 is currently subject to Materially Adverse Economic Conditions due to high office vacancy rates in the region so the deadline for the Developer to take down Phase 2 has been extended.)

Performance Schedule:

A new Scheme C Schedule of Performance obligates the Developer to secure City Council approval of a Development Area Plan for and ground lease the first Scheme C phase within 3 years from now, starting construction within 1 year thereafter.

Approvals for and ground lease of the other two Scheme C phases must occur in 3-year intervals after the first industrial phase (unless Phase 2 is ground leased, in which case the original Schedule of Performance will thereafter apply).

If the Developer fails to timely ground lease a Scheme C phase, one of the Scheme C phases would no longer be subject to the DDA and the City may offer it to another developer or make other use of it.

Rent: Any land within Parcels 1 and 2 that is developed as a data center will be subject to twice the rent that would otherwise be charged.

Pedestrian Connection:

The Developer must conduct a pedestrian and bicycle bridge study to analyze the viability of and prepare schematic drawings for two bridge options to span Lafayette Blvd. to connect Parcel 4 and Parcel 2, including a path to link Tasman East and the City Center. The Developer will reserve the land for bridge landings and paths, but the City will be responsible for all further efforts to secure approval of, fund and build such a ped/bike bridge.

Landfill Costs:

Due to language ambiguity, revise the formula whereby the Developer funds a portion of the City's annual landfill costs to clarify that the costs eligible for reimbursement are split 50-50 between the City and Developer if they occur on any land not yet subject to development activities (i.e., Parcels 1 and 2). The Developer will pay 75% of the eligible reimbursement costs (based on the new formula) incurred by the City prior to Fiscal Year 2024-2025 in recognition of the prior ambiguities and administrative billing challenges.

#### **ECONOMIC/FISCAL IMPACT**

The development of the project under Scheme C will continue to provide substantial land lease revenues to the City's General Fund. Sales and property tax revenues will accrue to the City, as well as to nearby agencies that benefit from the increases in the distribution of property tax that will grow as the project develops and is occupied. The economic analysis, Attachment 16, provided by the City's economic consultant; Keyser Marston projected as follows:

 Scheme C generates a projected \$20.6 million annual net positive fiscal impact to the City General Fund upon buildout, or \$28.1 million annually with inclusion of ground rent.

• The projected City General Fund fiscal impact with buildout of Scheme C, including a data center use, is a net positive \$22.2 million annually, or \$30.3 million with inclusion of ground rent. This is an increase of approximately \$2 million annually compared with Scheme C without a data center. Higher assessed values, lower City service demands, and increased ground rent associated with data center uses contribute to an increase in the projected net positive City General Fund fiscal impact.

# Comparison with Scheme A

- Scheme A with minimum retail, generates a projected \$20.5 million annual net positive fiscal impact to the City General Fund.
- Scheme A with Full Retail with build-out of the full 1.5 million square feet of included retail uses generates a projected \$25 million annual net positive fiscal impact to the City General Fund. This is the largest net positive fiscal impact of the four scenarios, attributable to the sales tax revenues generated by approximately 700,000 square feet in additional retail space.

The project will create a variety of jobs for residents in the City and region, the changes under Scheme C could accelerate early activation and lay the foundation for full realization of the project. Finally, the public benefits under Scheme C, include a commitment that at least 15% of all residential units on the sites will be affordable at a maximum average of 100% AMI. In addition to the ongoing revenues, one-time sales tax revenues will be generated for the City from construction purchases. Through the purchase of building materials within the City, total buildout construction is also expected to generate onetime sales tax revenues to the General Fund.

The proposed Scheme C amendment retains the core vision of the Related Santa Clara project as a vibrant, regional mixed-use district centered around a high-density City Center while incorporating land uses that address current economic realities and enable development momentum. The modifications under Scheme C are supported by environmental analysis, consistent with applicable policy frameworks, and designed to uphold the City's public-private development objectives.

#### ENVIRONMENTAL REVIEW

An Addendum to the City Place 2016 EIR was prepared for the project by the environmental consultant firm ESA, in accordance with CEQA, and was posted on the City's website (weblink provided in Attachment 2). The Addendum concluded that any potential environmental impacts associated with development of the project site under the proposed Scheme C were adequately analyzed and covered by the analysis in the 2016 EIR. The proposed project would not trigger substantial changes to the previously approved EIR and implementation of Scheme C would cause no new significant environmental effects and no substantial increase in the severity of previously identified significant effects than were disclosed in the 2016 EIR. Therefore, no further review or analysis under CEQA is required.

# **COORDINATION**

This report has been coordinated with the City Attorney's Office.

#### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's

Office at (408) 615-2220, email <u>clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov></u> or at the public information desk at any City of Santa Clara public library.

On June 18, 2025, a hearing notice for the City Council hearing on July 8, 2025, was published in the Santa Clara Weekly and on June 18, 2025, a notice of public hearings for this item was mailed to property owners within 1,000 feet of the project side boundaries and interested parties. Staff have received five public comments on the project, and they are available as Attachment 10.

# **Community Meetings**

A community open house was hosted by the applicant on September 10, 2024, to provide information about the Scheme C land use alternative describing the different mix of land uses proposed for the northeastern part of the site. It was attended by approximately 40 members of the community. The presentation boards and a summary of the Community Meeting are posted on the project page. See Attachment 2 for the weblink.

# ALTERNATIVES

- 1. Adopt the alternative reflecting the Planning Commission recommendation with a modification to Chapter 3C.2 of MCP, page 21 of the Master Community Plan Scheme C to delete the Small Power Plant Exemption (SPPE) data centers from the list of permitted uses under Light Industrial Parcels - Parcels 1 and 2 Light Industrial Campus Development and to revise paragraph four under conditional uses so it applies to all data centers and the Use Permit process to be a Conditional Use Permit process that goes to the Planning Commission rather than the Minor Use Permit process, which is administrative.
- 2. Deny the project.

#### RECOMMENDATION

- 1. Adopt a resolution for an Addendum to the City Place Santa Clara Environmental Impact Report (2016 EIR)
- Adopt a resolution approving the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2 for the Related Santa Clara project at 5155 Stars and Stripes Drive ('Project").
- 3. Adopt a resolution approving a Rezone to Amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C for the Project.
- 4. Waive first reading and introduce an ordinance to approve amending the Development Agreement to implement aspects of Scheme C for Project.
- 5. Adopt a resolution amending the Disposition and Development Agreement for Project.

Note: All resolutions, ordinances and agreements are attached for approval in substantial form, subject to such minor corrections or non-substantive modifications as may be required or approved by the City Attorney.

Reviewed by: Afshan Hamid, Director, Community Development Department Approved by: Jovan Grogan, City Manager

# ATTACHMENTS

1. Planning Commission Staff Report of June 11, 2025

- 2. Web Links- Project Website and Addendum to 2016 EIR and MMRP
- 3. Resolution adopting the Addendum to the City Place Santa Clara EIR
- 4. Resolution Approving the General Plan Amendment
- 5. Resolution Approving the Rezoning to amend the PD-MC
- 6. Ordinance Approving the Amendment to the Development Agreement for Scheme C
- 7. Resolution Approving the Amendment to the Disposition and Development Agreement
- 8. Development Agreement Amendment
- 9. Second Amendment to Disposition and Development Agreement Amendment Redline Version
- 10. Public Comments Received
- 11. Scheme C MCP Conditions of Approval
- 12. Master Community Plan (MCP) Scheme C Site Plan
- 13. Web Link- MCP Scheme C Supplement
- 14. Vicinity Map
- 15. Project Data Table
- 16. Keyser Marston Associates Peer Review of Fiscal Impact Analysis



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

# Agenda Report

25-402 Agenda Date: 6/11/2025

# REPORT TO PLANNING COMMISSION

## **SUBJECT**

PUBLIC HEARING: Action on an Addendum to the City Place Santa Clara Environmental Impact Report and Mitigation Monitoring and Reporting Program, General Plan Amendment, Zoning Code Amendments to revise the permitted uses within the Planned Development Master Community (PD-MC) land use designation and to amend the Master Community Plan (MCP) for the Related Santa Clara Project (PLN24-00060) Located at 5155 Stars and Stripes Drive to Introduce a new Scheme C Land Use Scenario, and Amendment of the Development Agreement between the City of Santa Clara and Related Santa Clara, LLC for the Related Santa Clara Project.

#### REPORT IN BRIEF

Applicant /Owner: Related Santa Clara, LLC/ City of Santa Clara

General Plan: Urban Center/Entertainment District

Zoning: Planned Development - Master Community (PD-MC)

Site Area: 240 acres

Existing Conditions: The site is currently vacant.

#### Surrounding Land Uses:

North: SR 237 and City of San Jose

South: Tasman Drive, Levi's Stadium and Tasman East residential development

East: Guadalupe River, City of San Jose

West: Great America Parkway, Office and Commercial uses

#### Executive Summary:

Related Santa Clara, LLC, the applicant, is proposing to modify a portion of the already approved 2016 City Council Planned Development - Master Community (PD-MC) for the Related Santa Clara project, a 240-acre mixed-use development project located directly across from Levi's Stadium. The project is a public-private partnership intended to develop as several land uses including a vibrant urban district, a mix of office, retail, residential, hotel, entertainment uses, office campus, along with substantial public open space on City-owned property that includes the site of a former landfill. The mix of land uses were approved through the PD-MC on five parcels built over seven phases and through multiple years. The heart of the project is a new mixed-use city neighborhood with a pedestrian oriented and walkable development known as "City Center" with dense residential, retail, hotel and office on Phases 4 and 5. The City Center on Parcels 4 and 5 would serve as a regional destination along with the Levi's Stadium and Convention Center. Parcel 3 is reserved for development by the City of a public park. Parcels 1 and 2 are primarily campus style office uses and with some variation could also include supportive retail.

It is important to share with the Planning Commission the broader economic climate has shifted

dramatically since the pandemic and is now causing a change in markets across the Bay Area and Santa Clara as discussed at the Special City Council Study Session on 'February 13, 2025 Urban Land Institute (ULI) meeting on State of Santa Claras Real Estate & Development Market <../../.../Users/ahamid/Downloads/Agenda Packet (36).pdf> and the May 6, 2025 Special City Council Study Session on the Related Santa Clara project. The applicant now desires a land use that is more economically sustainable to respond to the changed market. Due to post pandemic shifts in the retail and office market, construction costs have risen dramatically between 5-15%, office vacancy is at 15% and retail vacancy is at 10% or more. Additional force majeure project challenges were shared at the May 6 City Council meeting. Due to the market changes, force majeure and rising interest rates, Related Santa Clara, LLC, is now proposing an amendment called Scheme C with light industrial uses which include warehouse and distribution facilities on Parcels 1 and 2 only where previously there was office campus.

The proposed modification under Scheme C maintains City Center at Parcels 4 and 5 and the public park on Parcel 3. Where there was primarily office on Parcels 1 and 2, those would now be replaced with industrial uses. On the balance, the total project build-out of 9.16 million gross square feet would remain the same as the original 2016 project. In other words, Parcels 4 and 5 would continue to have additional variety of land use types and with the addition of offices would create a more vibrant and economically sustainable City Center. City Center would have land uses that are supportive of an urban vibrant district with retail, amenities, office and residential to create a 24/7 walkable pedestrian oriented neighborhood near transit. Typical of zoning districts, the light industrial uses would be developed in a separate zoned area to allow those uses to perform and function based on the operations. City Center would develop as a regional destination with pedestrian-oriented commercial retail and services, urban residential, hotel and offices. At the May 6 meeting, Related Santa Clara, LLC reaffirmed its strong commitment to the vision of the overall project, highlighting several benefits of the revised Scheme C proposal. The new approach prioritizes development of Parcels 1 and 2 to help finance future phases and meet demand for advanced manufacturing and co-located office space. The updated plan also supports a vibrant mixed-use City Center, increases affordable housing from 10% to 15% at deeper affordability levels, and intensifies Parcel 4 with a broader mix of uses. Related remains the master developer, and cohesive design standards will guide development of the initial parcels.

Staff Recommendation: The Planning Commission adopt resolutions recommending the City Council adopt the Addendum to the City Place Santa Clara Environmental Impact Report and Mitigation Monitoring and Reporting Program, General Plan Amendment, Zoning Code Amendments to revise the permitted uses within the Planned Development Master Community (PD-MC) land use designation and to amend the Master Community Plan (MCP) for the Related Santa Clara Project (PLN24-00060) Located at 5155 Stars and Stripes Drive to Introduce a new Scheme C Land Use Scenario, and Amendment of the Development Agreement between the City of Santa Clara and Related Santa Clara, LLC for the Related Santa Clara Project.

#### BACKGROUND

In 2016, the City Council approved the Related Santa Clara project, which is a 240-acre mixed-use development project located directly across from Levi's Stadium. The project is a public-private partnership intended to develop as several land uses including a vibrant urban district, including a mix of office, retail, residential, hotel, and entertainment uses, an office campus, along with substantial public open space, on City-owned property that includes the site of a former landfill. At buildout, the project would include approximately 9.16 million square feet of development, creating a

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new regional hub for innovation, business activity, entertainment, and community engagement.

The 2016 approvals (discussed in more detail below) included actions to comply with CEQA, General Plan and zoning amendments to designate the project site for mixed-use development, and adoption of a Master Community Plan (MCP) to govern future development, a Development Agreement vesting the applicant's ability to proceed with the project over time, and a Disposition and Development Agreement governing the terms of leasing the City's property to the applicant for development.

The project site is located on mostly vacant City-owned parcels, which in total encompass approximately 240 acres. It has a General Plan land use designation of Urban Center/Entertainment District and is zoned Planned Development - Master Community (PD-MC). These actions were approved in 2016, along with the MCP for the full 240-acre site and a Development Agreement between the City and Related Santa Clara, LLC.

On January 31, 2024, Related Santa Clara, LLC, filed an application (File No. PLN24-00060) requesting to amend the 2016 MCP to add a new Scheme C land use scenario that would introduce Light Industrial as a new land use on MCP Parcels 1 and 2, and transfer unused development intensity to Parcel 4. This land use scenario would give the applicant an alternative to the two land use scenarios adopted in the 2016 MCP (Scheme A and Scheme B), which had focused on office uses for Parcels 1 and 2, in an effort to respond to changing market demand and accelerate the timeline for commencing development on the City's property.

The project site comprises multiple legal parcels, which are generally referred to and described as five development parcels. For reference, see Attachment #11, Vicinity Map. Four of the development parcels are part of the former landfill that closed in 1994. Only Parcel 5 (8 acres on Tasman Drive across from Levi's Stadium) is not underlain by landfill.

Lafayette Street divides the project site with Parcels 1 and 2 to the east and Parcels 3, 4 and 5 to the west. The Union Pacific Railroad (UPRR) borders Parcels 3 and 4 on the west side of Lafayette Street. Stars and Stripes Boulevard runs parallel to Tasman Drive within the site on the west side of Lafayette Street. Centennial Boulevard provides access to the site from Tasman Drive through Parcel 5 and intersects Stars and Stripes Drive, bisecting Parcels 4 and 5.

The former City-owned golf course on the property (Parcels 2, 3, and 4), operated by the City's Sports & Open Space Authority under a management agreement with the American Golf Corporation, ceased operation in 2019. A bridge for pedestrians and golf carts spans Lafayette Street, connecting the eastern and western areas of the former golf course. Fire Station 10 within the project site was closed in March 2020 and improvements were made to existing Fire Station 8; a permanent new Fire Station 10 will be built as part of the project, likely along Great America Parkway just west of the project site. The BMX track and Ameresco Methane plant are still in operation. The northern portion of the site includes an existing 12.8-acre retention basin.

#### Approved Project and Previous Actions

On June 28, 2016, the City Council certified the Environmental Impact Report (EIR), approved General Plan Amendments, and approved the Planned Development - Master Community (PD-MC) Zoning and accompanying MCP for the Related Santa Clara project (previously known as "City Place"). The approved MCP involves demolition of the existing buildings and on-site features and

establishment of a new mixed-use neighborhood with a defined center to serve as a focal point for a pedestrian-oriented environment. It includes a phased development of up to 9.16 million gross square feet of office buildings, retail and entertainment facilities, up to 1,680 residential units, hotel rooms, surface and structured parking facilities, new open space and roads, landscaping and tree replacement, and new/upgraded/expanded infrastructure and utilities. In accordance with the MCP, each phase of the project is implemented through a Development Area Plan (DAP), which provides a more detailed land use entitlement than the MCP. After a DAP is approved, then the project progresses to the Architectural Review stage, administered by the Director of Community Development.

The MCP includes two conceptual land use schemes, Scheme A and Scheme B, to be implemented in seven phases to construct up to 9.16 million gross square feet of development. Under Scheme A, the uses for Parcels 1 and 2 are primarily office uses, and Parcels 4 and 5 are devoted to mixed-use development consisting of multi-family residential uses (up to 1,680 units). Scheme B also includes offices as primary uses for Parcels 1 and 2, and supports retail uses alongside office uses at Parcel 2. Scheme B does not include residential uses within Parcel 4 and instead includes office development equal in area to the residential development in Scheme A, along with the same amount of space for the hotel, retail, entertainment venues, and open space areas. Development on Parcel 5 includes the same amount of residential, hotel, retail, and office uses under both schemes. Also, in each scheme, most of Parcel 3 is reserved for development by the City of a public park; the southern part of Parcel 3 would be developed by the applicant as a park to serve the project.

The data comparison of the approved Scheme A and Scheme B with the proposed Scheme C is shown in Attachment #12 of this report. Both approved schemes include similar street patterns and potential locations for the new Fire Station. The MCP established a maximum building height limit across the Project site of 219 feet above mean sea level (msl), which was determined to be consistent with the Airport Land Use Commission regulations.

Future development on the site is required to conform to the MCP. Specifically, the MCP sets forth the development standards, design guidelines, project implementation procedures, development transfer provisions among parcels, permitted and conditional uses allowed within the proposed land use areas, and City approval standards for DAP applications. It anticipates up to seven potential phases of development, each of which would be governed by a DAP.

#### DAP and Architectural Approvals

Two DAPs (DAP 1- File No. PLN2019-14186 and DAP 2- File No. PLN2019-14249) have been approved by the City Council. DAP 1 covers Parcel 5 and represents Phase 1 of the project; the applicant and the City have entered into a ground lease for Phase 1. DAP 2 covers a large portion of Parcel 4 and represents Phase 2 of the project. The applicant and the City have not yet entered into a ground lease for Phase 2. Both DAP 1 and DAP 2 were followed by Architectural Materials Review administrative approvals to address the detailed designs of the buildings and elements of Phases 1 and 2. The City Council also approved a Vesting Tentative Subdivision Map (File No. PLN21-15283) to subdivide the area and the general surroundings, in alignment with the MCP. Summarized below are approved permits and entitlements for the project:

- June 28, 2016: EIR Certified and General Plan Amendment, Rezoning and accompanying MCP approved
- March 24, 2020: Adopted first EIR Addendum and DAP 1 approved.

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- July 13, 2020: Adopted second EIR Addendum and DAP 2 approved
- February 9, 2021: A Comprehensive Sign Program for Parcels 4 and 5 approved
- February 26, 2022: Architectural Materials Review for DAP 1 approved administratively
- May 25, 2022: Architectural Materials Review for DAP 2 approved administratively
- November 15, 2022: A Vesting Tentative Subdivision Map for DAP 1 approved

# Requested Actions

The applicant proposes to change the approved project by introducing Scheme C, which differs from the approved project in that it proposes a new industrial land use on the northeast parcels. The proposed buildings under Scheme C include up to 1.6 million gross square feet of light industrial use on Parcels 1 and 2. Because the industrial uses would occupy less area than the previously proposed offices, the remaining unused square footage from Parcels 1 and 2 would be transferred as allowed office space to the southwestern area of the site (Parcel 4/City Center). Any office space within Parcel 4 could also be reallocated to retail use on a 1:1 ratio basis. Scheme C would not exceed the maximum build-out of 9.16 million square feet across the project site specified in each development scheme.

Currently, the applicant requests that the Planning Commission serve as the recommending body to the City Council to act on the following:

- 1. An Addendum to the City Place Santa Clara Environmental Impact Report and Mitigation Monitoring and Reporting Program
- 2. A General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2.
- 3. Zoning Code Amendments to revise the permitted uses within the Planned Development Master Community land use designation and to amend the Master Community Plan for the Related Santa Clara Project (PLN24-00060) located at 5155 Stars and Stripes Drive to introduce a new Scheme C Land Use Scenario.
- 4. An amendment to the Development Agreement that governs the real property relationship between the City and the applicant concerning the project site.

Planning Commission review and a recommendation to the City Council is required under Santa Clara City Code (SCCC) Chapters 18.140 and 18.142 for amendments to the General Plan, zoning, and development agreements.

Like land use Schemes A and B, implementation of Scheme C requires City Council approval of DAPs implementing Scheme C, consistent with the uses in the amended MCP, and Architectural Materials approval by the Director.

#### DISCUSSION

The applicant proposes changes to the approved project that was analyzed in the 2016 EIR and described in the approved MCP. Like the Land Use Schemes in the Approved MCP, Scheme C involves the demolition of the existing buildings and on-site features at the Project site and the construction of a new multi-phased, mixed-use development that is light industrial. Scheme C retains the total approved gross square footage of 9.16 million of the Approved Project, including office buildings, retail and entertainment facilities, residential units, hotel rooms, new open spaces, new roads, and new upgraded and expanded infrastructure. Summarized below are the notable

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differences between the proposed Scheme C and the 2016 Approved Project:

New Land Use Classification: Scheme C introduces a new land use classification with approximately 1.6 million gross square feet of light industrial use in the northeastern area of the Project site (Parcels 1 and 2 or northeast parcels). As described in the MCP Scheme C Supplement, permitted uses on Parcels 1 and 2 would include Light Industrial uses, such as warehouse and distribution centers, plants, facilities, or research laboratories etc. It would also allow Small Power Plant Exemption (SPPE) data centers (data centers for which the California Energy Commission, acting as the "lead agency" under Public Resources Code

Section 25519(c) has issued a Small Power Plant Exemption pursuant to Cal. Public Resources Code Section 25541), incidental retail, restaurant, office and personal services. The Non-SPPE data centers and ancillary data centers (nine MW or less) would be allowed through a Minor Use Permit process.

- <u>Change in Intensity:</u> The proposed light industrial land uses in Scheme C would reduce the
  intensity on the northeast parcels but, would maintain the overall 9.16 million gross square feet
  of the Approved Project by increasing the intensity of the approved uses allowed within the
  City Center area of the site (on the blocks located in Parcel 4) as shown on Attachment #9 and
  10.
- Lick Mill Blvd Extension/Site Circulation: To avoid truck traffic going through the residential development in Tasman East, just south of Parcel 1, Scheme C revises the site circulation and access configuration for Parcels 1 and 2 by eliminating the previously planned Lick Mill Boulevard Extension vehicular connection from the Tasman East Specific Plan Area adjacent to the Project site. It would, however, still include a bike and pedestrian connection from Tasman East residential development through Parcels 1 and 2 and to the mixed-use development on Parcels 4 and 5. A dedicated truck route to control the 24-hour truck operations associated with any developed warehouse and distribution facilities will be identified in the more detailed Development Area Plan. Another change from the approved project is that Scheme C includes a bridge over Lafayette Street to a connector (jug handle) from the northeast parcels to the City Center. These changes to the road network have been analyzed through a traffic report that concluded Scheme C would not result in new or more severe traffic impacts than those disclosed in the 2016 EIR.
- <u>Building Height:</u> Under the adopted MCP, the building height limit across the Project site is 219 feet above msl, which is consistent with ALUC regulations. The Airport Influence Area (AIA) boundaries have changed since 2016, and the project site is now outside the AIA. The proposed MCP Scheme C revises the formulation of the height limits to permit buildings on Parcel 4 up to approximately 10-12 stories. Scheme C proposes to remove the 219 feet above mean sea level (msl) height limit on Parcel 4. The revised height limits would remain consistent with applicable General Plan Policy 5.10.5-P30 and 5.10.5-P33.
- <u>Light Industrial Design Guidelines Chapter 5C.4:</u> Scheme C includes a new Chapter 5C.4 to include a comprehensive list of design guidelines for Light Industrial Uses.

# General Plan Consistency

In 2016, the MCP was approved after determining that on balance, the project would be consistent with the overall General Plan. While the total project build-out (9.16 million gross square feet) would remain the same as the Approved Project, Scheme C introduces light industrial uses to the northeastern area of the project site and would increase the intensity of approved uses in the City Center. The current General Plan land use designation of Urban Center/Entertainment District for the site is intended for local and regional scale destinations that feature a mixture of pedestrian-oriented commercial retail and services, urban residential, hotel and employment generating uses. Because the current definition of the Urban Center/Entertainment District designation does not include industrial uses, the proposed Scheme C requires a General Plan Amendment to allow (per the amended MCP) the proposed light industrial uses as described in Chapter 3C.2 Land Use Concept of MCP Scheme C (Attachment #10). This is largely due to respond to market changes as described at the Special City Council Study Session on February 13, 2025 Urban Land Institute (ULI) meeting on State of Santa Clara's Real Estate & Development Market and the Special Study session on the project at the City Council meeting on May 6, 2025. The overall modification with Scheme C is still consistent with the adopted 2016 General Plan consistency findings.

In addition to the goals and policies listed in Table 3.1-7 of the 2016 EIR, the proposed Scheme C is consistent with the following General Plan Policies listed first in italics:

 General Land Use Policies: 5.3.1 P4 Encourage new development that meets the minimum intensities and densities specified in the land use classifications or as defined through applicable Focus Area, Neighborhood Compatibility or Historic Preservation policies of the General Plan.

The overall intensity of 9.16 gross million square feet is maintained under Scheme C consistent with the already approved 2016 MCP.

 Commercial Land Use Goals and Policies: 5.3.3 G4 New commercial uses that respect surrounding neighborhoods and are sited to reduce potential land use conflicts.

The amended MCP design guidelines require that the new industrial uses and loading docks will be located at least 500 feet away from residential uses and will have a landscaping buffer in between the industrial and residential uses to reduce any potential impacts or conflicts.

Office and Industrial Land Use Goals and Policies: 5.3.5 G2 Sufficient industrial land that
meets the demand for local employment and retains the City's economic base.

Scheme C introduces light industrial uses that would create employment opportunities within the city.

- Office and Industrial Land Use Policies: 5.3.5 P19 Restrict the use and storage of hazardous materials for industrial uses within 500 feet of existing residential uses.
- Safety Goals and Policies: 5.10.5 P24 Protect City residents from the risks inherent in the transport, distribution, use and storage of hazardous materials.

Scheme C proposes light industrial uses that may include warehouse and distribution facilities that

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may contain hazardous materials. To be consistent with the above General Plan policies, such materials will be packaged to avoid any leaks during storage or transportation. Additionally, Scheme C proposes dedicated truck routes to limit the truck access to and from the northeastern parcels.

# **Zoning Conformance**

The 2016 approval rezoned the project site from Public, Quasi-Public, and Parks and Recreation, and Commercial Park to Planned Development Master Community (PD-MC) and adopted the MCP. PD-MC is intended to create regulations for large-scale integrated developments that are compatible with the existing community. The MCP carries out the PD-MC zoning through development standards, design guidelines, project implementation procedures, development transfer provisions among parcels, and permitted and conditional uses allowed within the proposed land use areas.

The approved MCP includes two conceptual land use schemes, Scheme A and Scheme B, to be implemented in up to seven phases. To add Scheme C as a new land use scheme to the approved MCP, a zoning amendment is required to allow industrial uses within the PD-MC area. An amendment to the MCP is also required.

The proposed Scheme C was reviewed by the City's Project Clearance Committee (PCC) on March 20, 2025, and appropriate Conditions of Approval were added.

#### **DEVELOPMENT AGREEMENT**

A Development Agreement (DA) between the City and the Developer was approved in 2016. The DA has a 30-year term to allow for phased development of the project, and vests the maximum density and intensity of uses; the maximum building heights and gross floor area of land uses; and the permitted uses. It also specifies that the developer must build a minimum of 200 housing units; that 10% of residential units must be affordable to households with income that does not exceed one hundred twenty percent (120%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time; the development fees that will be paid (including a voluntary regional fee and a voluntary contribution to the Santa Clara Valley Transit Authority (VTA)); the provisions concerning escalation of existing fees or imposition of new fees; and that all mitigation measures to minimize material adverse environmental impacts of the project must be implemented. The proposed amendments to the DA require that, other than with respect to the initial 200 residential units in Phase 1, 15% of the units must be affordable to households with income that does not exceed one hundred percent (100%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time. Thus, there would be more affordable units built and at deeper levels of affordability. In addition, the proposed DA amendments require that the industrial uses within Scheme C would pay development impact fees and administrative fees at the levels as and when otherwise due, with no caps. Finally, the amended DA would add a regional traffic fee for industrial uses (similar to office uses) at \$1 per square foot.

#### **ENVIRONMENTAL REVIEW**

An Addendum to the City Place Santa Clara Environmental Impact Report (EIR) (2016) was prepared for the project by the environmental consultant firm ESA, in accordance with the California Environmental Quality Act (CEQA), and was posted on the City's website (weblink provided in Attachment #1). The Addendum concluded that any potential environmental impacts associated with development of the project site under the proposed Scheme C were adequately analyzed and covered by the analysis in the 2016 EIR. The proposed project would not trigger substantial changes

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to the previously approved EIR and implementation of Scheme C would cause no new significant environmental effects and no substantial increase in the severity of previously identified significant effects than were disclosed in the 2016 EIR. Therefore, no further review or analysis under CEQA is required.

# FISCAL IMPACT

There is no fiscal impact to the City for processing the requested application other than administrative time and expense typically covered by processing fees paid by the applicant.

As was previously considered by the City Council in the decisions to offer development of the Project site and subsequent approval of the initial land use entitlements, there will be social and economic benefits that will accrue to the City including the creation of jobs, property tax and sales tax revenues, and land lease revenues to the City.

# COORDINATION

This report has been coordinated with the City Attorney's Office.

# **PUBLIC CONTACT**

On May 21, 2025, a hearing notice for the Planning Commission hearing on June 11, 2025, was published in the Santa Clara Weekly and on May 21, 2025, a notice of public hearings for this item was mailed to property owners within 1,000 feet of the project side boundaries and interested parties. Staff has received four public comments on the project and they are available as Attachment # 7

# **Community Meetings**

A community open house was hosted by the applicant on September 10, 2024, to provide information about the Scheme C land use alternative describing the different mix of land uses proposed for the northeastern part of the site. It was attended by approximately 40 members of the community. The presentation boards and a brief summary of the Community Meeting are posted on the project page. See Attachment 1 for the weblink.

#### ALTERNATIVES

# Approve As Proposed:

- Adopt a resolution recommending City Council adopt an Addendum to the City Place Santa Clara Environmental Impact Report (EIR) (2016) for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 2. Adopt a resolution recommending the City Council approve the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2 for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 3. Adopt a resolution recommending City Council approve a Rezone to Amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 4. Recommend approval to the Council to Amend the Development Agreement to implement aspects of Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.

#### Approve with Modifications:

5. Adopt any of the resolutions proposed in Alternatives 2, 3, or 4 with modifications regarding

allowable uses, development standards, or conditions of approval.

# Denial of Proposed Project:

6. Recommend that the City Council not adopt an Addendum to the City Place Santa Clara Environmental Impact Report (EIR) (2016) for the Related Santa Clara project at 5155 Stars and Stripes Drive.

- 7. Recommend that the City Council deny the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2 for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 8. Recommend that the City Council deny a Rezone to amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- Recommend that the City Council deny the Amendment to the Development Agreement to implement aspects of Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.

#### RECOMMENDATION

Based on consistency with the adopted 2016 City Place Santa Clara Environmental Impact Report and Mitigation Monitoring and Reporting Program, 2010 General Plan, Zoning Code, Planned Development Master Community (PD-MC), Master Community Plan (MCP), Development Agreements, staff recommends the Planning Commission recommend approval of the amendments to the City Council as follows:

- 1. Adopt a resolution recommending City Council adopt an Addendum to the City Place Santa Clara Environmental Impact Report (EIR) (2016) for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 2. Adopt a resolution recommending the City Council approve the General Plan Amendment to revise the permitted uses under the Urban Center/Entertainment District land use classification to include the proposed light industrial uses on Parcels 1 and 2 for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 3. Adopt a resolution recommending City Council approve a Rezone to amend the approved Planned Development Master Community (PD-MC) to add a new Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.
- 4. Recommend approval to the Council to Amend the Development Agreement to implement aspects of Scheme C for the Related Santa Clara project at 5155 Stars and Stripes Drive.

Prepared by: Nimisha Agrawal, Senior Planner

Reviewed by: Alexander Abbe, Assistant City Attorney

Approved by: Lesley Xavier, Planning Manager

# <u>ATTACHMENTS</u>

- 1. Web Links- Project Website and Addendum to 2016 EIR and MMRP
- 2. Resolution Recommending Council adopt the Addendum to the City Place Santa Clara EIR
- 3. Resolution Recommending Council to Approve the General Plan Amendment
- 4. Resolution Recommending Council to Approve the Rezoning
- 5. Resolution Recommending Council to Approve the Amendment to the Development Agreement

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- 6. Development Agreement Amendment
- 7. Public Comments Received
- 8. Scheme C MCP Conditions of Approval
- 9. Master Community Plan (MCP) Scheme C Site Plan
- 10. Web Link- MCP Scheme C Supplement
- 11. Vicinity Map
- 12. Project Data Table

# Web Links- Project Website and Addendum to 2016 EIR

# **Project Website:**

Here you will find a summary of the project and information regarding past community meetings and prior plan submittals.

Related Santa Clara | Projects Listing | City of Santa Clara

Link to the Approve Master Community Plan (MCP)

https://www.santaclaraca.gov/home/showpublisheddocument/58715/636679554252070000

#### **Environmental Website:**

Here you will find documents related to the 2016 environmental assessment of the project and any information regarding meetings related to the environmental assessment of the project.

Related Santa Clara (formerly CityPlace Santa Clara) | CEQA Archive | City of Santa Clara

Link to the Addendum to the 2016 Santa Clara City Place Environmental Impact Report (EIR) prepared for Master Community Plan (MCP) Scheme C

Related Santa Clara Scheme C CEQA Checklist Addendum

These documents are available for viewing in the Community Development Department

#### FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

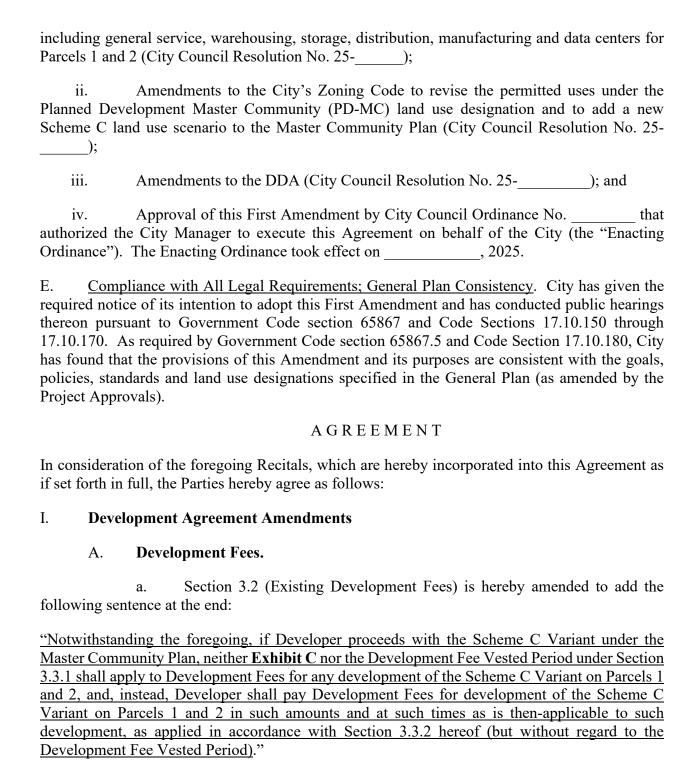
# **City Place Santa Clara**

This First Amendment to the Development Agreement ("**First Amendment**") is entered into as of \_\_\_\_\_\_\_, 2025 (the "First Amendment Effective Date"), by and between the City of Santa Clara ("City"), a chartered municipal corporation, and Related Santa Clara, LLC ("Developer"), a Delaware limited liability company.

#### RECITALS

This First Amendment is made with reference to the following facts, intentions and understandings of the Parties:

- A. <u>Background</u>. The City and Developer entered into that certain Development Agreement dated August 12, 2016 (as amended from time to time, the "**Agreement**") for the development of City Place Santa Clara. Defined terms in this First Amendment have the meanings ascribed to them in the original Development Agreement.
- B. <u>Scheme C Variant</u>. At the request of Developer, the City has adopted an amendment to the Master Community Plan in the form of a Master Community Plan Scheme C Supplement (City Council Ordinance No. 25-\_\_\_\_). The Master Community Plan Scheme C Supplement authorizes a new Scheme C Variant that includes the same total development area as Scheme A and Scheme B, having a total of approximately 9,164,400 square feet of mixed use, but would include (i) approximately 800,000 of retail; (ii) the same number of hotel rooms and residential units as Scheme A; (iii) approximately 4,517,400 square feet of office on Parcel 4; and (iv) approximately 1,600,000 square feet of light industrial uses on Parcels 1 and 2 (as described in the Master Community Plan Scheme C Supplement, the "Scheme C Variant"). The Master Community Plan Scheme C Supplement provides that any amount of permitted office use within the City Center Mixed-Use District (Parcels 4 and 5) may be swapped out for an equivalent square footage of retail space, subject to approval through the DAP process, or if a DAP has already been approved, then subject to approval through the Architectural Review process.
- C. <u>Environmental Review</u>. The City analyzed the proposed potential environmental impacts of the Scheme C Variant and adopted a Fourth Addendum to EIR (City Council Resolution No. 25-\_\_\_\_), in which it determined that the use of the Project Site under this Agreement, as amended for the Scheme C Variant, are included within the scope of the Project EIR in that the potential environmental impacts of the development and use of the Project Site for the Scheme C Variant under the DDA and the Master Community Plan are addressed in the Project EIR.
- D. <u>Scheme C Variant Project Approvals</u>. Following the City's approval of the Fourth Addendum, the City took the following actions to implement the Scheme C Variant, all of which are deemed to be included within the definition of "Project Approvals" as set forth in the Development Agreement:
- i. Amendments to the Santa Clara General Plan to revise the permitted uses under the Urban Center/Entertainment District land use designation to add a range of light industrial uses,



"Notwithstanding the foregoing, the Development Fee Vested Period shall not apply to development on Parcels 1 and 2 under the Scheme C Variant."

Agreement is hereby amended to add the following sentence at the end:

Section 3.3.1 (During the Development Fee Vested Period) of the

B. **Traffic Impact Fee Vested Period**. The first sentence of Section 3.4.1 (Current Traffic Impact Fees) is hereby amended in its entirety as follows:

"Beginning on the Effective Date and continuing until the later of (a) the date on which the Development Fee Vested Period expires and (b) the date by which building permits have been issued for at least one million five hundred thousand (1,500,000) square feet of office space on the Project Site (such time period being referred to as the "Traffic Impact Fee Vested Period"), Developer shall pay traffic impact fees (the "Traffic Impact Fees") pursuant to Section 17.15.330 of the Code in the following amounts per square foot:"

- C. **Regional Traffic Fees**. Section 3.5 of the Agreement is hereby amended to add the new underlined language:
- 3.5 Regional Traffic Fees. Developer agrees to pay the fixed sums of (a) One Dollar (\$1.00) per square foot of Office uses (as defined in Section 17.15.330(b)(8) of the Code), and Retail uses (as defined in the DDA), and b) Fifty Cents (\$0.50) per square foot for residential uses, and (b) \$1.00 per square foot of Light Industrial Uses (as defined in Appendix B to the Master Community Plan Scheme C Supplement) (together, the "Regional Traffic Fees"). The Regional Traffic Fees shall be payable to the City at the time of issuance of each Building Permit for Vertical Construction that contains office uses, retail uses, light industrial uses and/or residential uses, as applicable, based upon the square footage of such uses. Regional Traffic Fees are non-refundable, and shall not increase over the Term of this Agreement.
- D. **Engineering Plan Check Fees**. Notwithstanding Section 5.1 of the Agreement, Engineering Plan Check Fees applicable to development of the Scheme C Variant on Parcels 1 and 2 shall be those in effect, as and when due.

# E. Housing Affordability.

a. Section 1.2.5 of the Agreement is hereby amended in its entirety as follows:

"Affordable Unit" shall mean, for any residential units constructed within Phase 1, a residential unit that is affordable to households with income that does not exceed one hundred twenty percent (120%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time, and for any residential units constructed within Phase 2 or Phase 3, a residential unit that is affordable to households with income that does not exceed one hundred percent (100%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time.

- b. Section 4.5.1 of the Agreement is hereby amended in its entirety as follows:
- 4.5.1 <u>Voluntary Commitment</u>. The Parties acknowledge the Project shall not be subject to the provisions of the Code adopted on or before the First Amendment Effective Date, or any future amendments thereto, with respect to affordable residential units within or in connection with the Project. Nevertheless, Developer voluntarily agrees that (i) at least ten percent (10%) of all residential units constructed in Phase 1 shall be Affordable Units; and (ii) at least fifteen percent (15%) of all residential units constructed in Phase 2 or Phase 3 shall be Affordable Units. Developer shall have the right to pay an in-lieu fee instead of constructing the Affordable Units

that are associated with any market-rate units constructed as part of Phase 1 (the "Phase 1 Affordable Units") under the conditions set forth in Section 4.5.2 below.

#### II. Miscellaneous

- A. Entire Agreement. This First Amendment, together with the Agreement, constitutes the entire understanding and agreement between the Parties with respect to the subject matter contained herein. All other terms and conditions of the Agreement shall remain in full force and effect.
- B. Binding Effect. This First Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.
- C. Governing Law. This First Amendment shall be interpreted, construed, and enforced in accordance with the laws of the State of California.

**IN WITNESS WHEREOF,** the Parties hereto have executed this Agreement as of the First Amendment Effective Date.

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

# **DEVELOPER**

RELATED SANTA CLARA, LLO	Ξ,	
a California limited liability compa	any	7

# **ACKNOWLEDGMENT**

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	)	
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Signature	(Seal	1

# **ACKNOWLEDGMENT**

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	)	
narganally annagrad		, a Notary Public,
who proved to me on subscribed to the with in his/her/their author	the basis of satisfactory evidence in instrument and acknowledged t	to be the person(s) whose name(s) is/are to me that he/she/they executed the same er/their signature(s) on the instrument the s) acted, executed the instrument.
I certify under PENA foregoing paragraph i		laws of the State of California that the
WITNESS my hand a	nd official seal.	
Signature	(S	eal)

From: Afshan Hamid Nimisha Agrawal To: Cc: Lesley Xavier

Subject: Public Comment: Related Data Center Opposition

Date: Tuesday, May 13, 2025 1:41:57 PM

Attachments: image002.png image003.png

image004.png image005.png image006.png image007.png image008.png image009.png

Please save email for PC and CC public comments.

#### **AFSHAN HAMID**

Director | Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 Direct: 408-615-5670 | ahamid@santaclaraca.gov













From:

**Sent:** Monday, May 12, 2025 4:23 PM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov>

**Subject:** Related Data Center Opposition

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Learn why this is important

Dear Mayor and City Council,

I am writing to express my opposition to allowing Related to replace some of the planned mixed-use space with a data center.

This project has been touted as the new city center. A city center should be a location that is desirable to visit, and therefore consists of shops, restaurants, and places of employment. A data center does not provide any of the desired characteristics of a city center as it would take away available space and fill it with servers. No one has ever said they want to go downtown to check out the nice data centers they have there. If the project is truly to be a city center, then it should be populated with what attracts people: shops, restaurants, and entertainment.

Please oppose allowing Related to build a data center in the Related Santa Clara space.

Thanks. Brendan Croom North Santa Clara resident

# Nimisha Agrawal

From: Afshan Hamid

**Sent:** Tuesday, May 13, 2025 1:46 PM

To: Nimisha Agrawal

Cc: Lesley Xavier; Elizabeth Elliott

**Subject:** Public Comments: Proposed data center

Please save comments for PC and CC

#### **AFSHAN HAMID**

Director | Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 Direct: 408-615-5670 | ahamid@santaclaraca.gov

----Original Message-----

From: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Sent: Monday, May 12, 2025 3:36 PM

To: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Subject: FW: Proposed data center

Dear Mayor and Council,

We received the following email which we are forwarding for your reference.

Thank You,
Melissa Lee | Executive Assistant
Mayor & Council Offices | City of Santa Clara
(408) 615-2252

https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.santaclaraca.gov%2F&data=05%7C02%7C NAgrawal%40SantaClaraCA.gov%7Ce7d62e5915bf46b394c508dd925f2cbb%7C28ea354810694e81aa0b6e4b3271a5cb%7C0%7C0%7C638827659645428872%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUslIYiOilwLjAuMDAw MCIslIAiOiJXaW4zMilsIkFOIjoiTWFpbCIslIdUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=yHpimkGQ6yYIB6qhzjOorTteyx0qo VBNet46gA6afIU%3D&reserved=0

----Original Message----

From:

Sent: Sunday, May 11, 2025 1:24 PM

To: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Subject: Proposed data center

[You don't often get email from Learn why this is important at

https://aka.ms/LearnAboutSenderIdentification ]

As a nearby resident I am opposed to data centers in the "Related" development area. The original plan for retail, residential and recreational areas is much preferred.

Thank you Irene Brumbaugh Sent from my iPhone From: <u>PlanningCommission</u>

To: <u>Mary Grizzle</u>; <u>Jovan Grogan</u>; <u>Mayor and Council</u>

Cc: <u>PlanningCommission</u>; <u>Afshan Hamid</u>; <u>Lesley Xavier</u>; <u>Nimisha Agrawal</u>

Subject: RE: Data Centers

**Date:** Wednesday, May 14, 2025 10:13:06 AM

Attachments: image001.png

image003.png

#### Good Morning Mary,

This is to confirm your email has been received in the Planning Division and will be provided to Planning Commissioners for their information.

Thank you for taking the time to provide your input.

Regards,

#### ELIZABETH ELLIOTT | Staff Aide II

Community Development Department | Planning Division 1500 Warburton Avenue | Santa Clara, CA 95050 O: 408.615.2450 Direct: 408.615.2474

From:

**Sent:** Wednesday, May 14, 2025 10:00 AM

To: Jovan Grogan < JGrogan@Santaclaraca.gov>; Mayor and Council

<MAYORANDCOUNCIL@SantaClaraCA.gov>

Cc: PlanningCommission <PLANNINGCOMMISSION@santaclaraca.gov>

**Subject:** Data Centers

Honorable Mayor and Councilmembers,

I'm here today to express strong opposition to the continued approval and expansion of data centers in Santa Clara.

Our city has become a magnet for these massive, windowless buildings—many of which are built on prime land that could be used for housing, public services, or a long-overdue, vibrant downtown. These data centers consume acres of land, provide very few jobs, and return little in the way of civic or cultural benefit.

They don't bring life to our neighborhoods. They bring noise, diesel emissions from backup generators, enormous water and energy consumption, and they offer no walkability, no retail, and no "there there" for the people who call Santa Clara home.

The continued overreliance on data centers is a short-term economic strategy with long-term consequences. Each one we approve is a lost opportunity to build housing, local businesses, parks, or public facilities like a new City Hall or courthouse that would serve real people, not servers.

As a lifelong advocate for our community, I urge you to consider this: Do we want Santa Clara to be a hub of community life—or a hub of warehouses for tech giants?

I ask this Council to pause further approvals of data centers and begin a serious conversation about long-term land use priorities that benefit residents, not just corporations.

Respectfully, Mary Grizzle From: Nimisha Agrawal To: Nimisha Agrawal

Subject: RE: Public Comment FW: Related Santa Clara / City Place

Date: Wednesday, May 28, 2025 9:30:43 AM

Attachments: image001.png

image004.png image003.png

From: PlanningCommission

**Sent:** Monday, May 19, 2025 3:06 PM

**To:** 'une vagabonde' < <u>une.vagabonde@gmail.com</u>>; Mayor and Council

- < MAYORANDCOUNCIL@SantaClaraCA.gov >; PlanningCommission
- <<u>PLANNINGCOMMISSION@santaclaraca.gov</u>>; Public Comment
- <<u>PublicComment@santaclaraca.gov</u>>; Afshan Hamid <<u>AHamid@Santaclaraca.gov</u>>; Lesley Xavier
- <<u>LXavier@santaclaraca.gov</u>>

**Subject:** RE: Related Santa Clara / City Place

Good Afternoon Thanh,

Your email has been received in the Planning Division and by way of my reply I am including the appropriate staff for their review.

Thank you for taking the time to provide your comments.

#### ELIZABETH ELLIOTT | Staff Aide II

Community Development Department | Planning Division 1500 Warburton Avenue | Santa Clara, CA 95050 O:408.615.2450 Direct:408.615.2474

From: une vagabonde

**Sent:** Monday, May 19, 2025 9:25 AM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov >; PlanningCommission

<<u>PLANNINGCOMMISSION@santaclaraca.gov</u>>; Public Comment

<<u>PublicComment@santaclaraca.gov</u>>

**Subject:** Re: Related Santa Clara / City Place

Some people who received this message don't often get email from

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<u>important</u>

Thank you council members for your time to fill in my knowledge gaps and provide insights from your perspective.

I've had the chance to speak up at a recent City Council meeting and met with several council members. I've learned quite a bit over the last 12 days. Writing this petition was to stand against the planning of large intrusive data centers popping up in Santa Clara and truly design and build around people. What I read in Silicon Valley Voice, "The new proposal would replace much of the office and retail space with light industrial space that would host data centers, " and then reading of Alviso's Journey from entertainment district to data center hub, **here**, **here** and **here**: and large data centers behind Bracher Park and Scott/Monroe was the catalyst for this petition. With that, our council member shared that our data centers come in various sizes and the city won't be able to provide power to every data center that wants to come in, so what would go into the Related Santa Clara project is a **2-story data center** (page 55 & 57) and not the 4 story, 486,000 square feet data centers next to our parks and behind our homes. This zoning code and land use change would attract businesses to come in and data centers help with the technology advancements we see in our communities today. Our communities, though, will see two more approved large data centers in the next few years, 2305 Bowers and 1231 Comstock. If it helps, the 2305 Bowers Ave building has some design aesthetics that look less sterile than other established data centers. It'd still be nice if those large canvas walls turned into works of art.

Another major takeaway from this process was our council members' welcome and encouragement to speak up and to continue to be civically engaged. I loved serving on our Bicycle and Pedestrian Advisory Committee in the past and appreciated all the learning that came out of this process.

With this, I've closed my petition.

Sincerely,

Thanh

On Mon, May 12, 2025 at 6:42 PM une vagabonde

wrote:

Thank you for the receipt. Could you tack on a better draft of the last message? Thank you for all you do!

Updated:

Dear Santa Clara City Council Members and Fellow Residents,

As a resident of Santa Clara, continuously learning, found the project site notices, I am

again writing to express my strong opposition to the continued development of data centers within our city. While I understand the technological advancements that drive the need for such facilities, I believe that their proliferation in Santa Clara comes at a significant cost to the well-being, character, and future of our community. Please don't support a General Plan Amendment (to permit light industrial uses on Parcels), please don't support a Zoning Ordinance Amendment to MC-CP Zoning (to permit light industrial uses on Parcels 1 & 2) and please don't support the MCP Amendment (new Scheme C Variant Supplemental Chapter).

I urge you to carefully consider the following critical points as you evaluate future proposals for data center development:

- Data centers create sterile environments, devoid of life and public interaction. Designing spaces that actively exclude community engagement does not serve the best interests of Santa Clara. Our city needs vibrant spaces that foster community connections, support healthy aging, and encourage active lifestyles for all residents. Data centers offer no such benefit; they are essentially closed boxes that contribute nothing to the social fabric of our neighborhoods.
- Data centers are disproportionately sited in Communities of Concern. Historically, these facilities in Santa Clara have been located in areas designated for Light Industrial use, which tragically often overlap with areas identified in our own Bicycle Master Plan (Figure 6) as "Communities of Concern." Furthermore, as highlighted by my map or a more comprehensive listing here (https://www.datacentermap.com/usa/california/santa-clara/), these areas are often predominantly Hispanic. This pattern raises serious environmental justice concerns, suggesting a disproportionate distribution of burdens onto specific segments of our population. This inequitable distribution is particularly concerning when considering the City's own standards for parkland. The Parks & Recreation Department has established "research based best practices to create a Public Park Amenity & Design Standard for planning of new and expanded play spaces, with the goal of providing 2.53 acres of parkland for every 1,000 residents." We must ask: Is this an equitable standard for neighborhoods across Santa Clara, especially those already burdened by industrial uses like data centers? By prioritizing data center development in these areas, are we further depriving residents of essential amenities like parks, which contribute significantly to quality of life and community well-being?
- Data centers undermine our commitment to smart growth and housing. Our General Plan clearly prioritizes the development of more housing along Tasman Drive (Section 5.2.3, Priority Development Areas), accompanied by the amenities and services necessary to support a pedestrian-friendly environment with robust transit options. Data centers directly contradict this vision, occupying valuable land that could otherwise be used for much-needed housing and community-serving businesses.
- Data centers erode the unique character of our neighborhoods. The General Plan explicitly aims to "Preserve the unique character and identity of neighborhoods through community-initiated neighborhood planning and design elements incorporated in new development" (Section 5.3.1-P1). The monolithic and isolated nature of data centers offers no opportunity for community input or the incorporation of design elements that reflect the distinct identities of our neighborhoods.

• Locating industrial uses with potential hazards near sensitive receptors is unacceptable. The General Plan (page 90) itself acknowledges that light industrial uses "may be noxious or include hazardous materials and may negatively impact sensitive receptors, like children and the elderly." Planning such facilities next to parks, where our children gather and play, is a direct contradiction of our community's responsibility to protect its most vulnerable members.

Beyond these local impacts, I believe we must also consider the broader environmental and economic consequences:

- Data centers place a significant burden on our electricity ratepayers. The immense energy demands of these facilities can lead to increased costs for all electricity consumers in our region. (Source)
- The environmental and health costs of data centers are alarming. Recent research from the California Institute of Technology and UC Riverside indicates that by 2030, data centers in California could contribute to 1,300 premature deaths and \$20 billion in health care costs, with greenhouse gas emissions rivaling those of all cars in the state. Furthermore, a Morgan Stanley report last fall projected that the global data center industry could produce 40% of annual U.S. emissions within five years. These are staggering figures that cannot be ignored. (Source and Source)

Santa Clara has the opportunity to prioritize development that truly benefits all its residents – development that fosters community, provides housing, respects our neighborhoods, and safeguards our environment and health. I urge our City Council to stand with the community and reject further data center development in Santa Clara. Let us focus on building a city where people can thrive, not just servers.

Sincerely,

Thanh Do, a Concerned Resident of Santa Clara

On Mon, May 12, 2025 at 3:31 PM Mayor and Council <a href="MAYORANDCOUNCIL@santaclaraca.gov">MAYORANDCOUNCIL@santaclaraca.gov</a> wrote:

Hello

Our office confirms receipt of your email which has been forwarded to the full City Council for their review.

Thank You,
Melissa Lee | Executive Assistant
Mayor & Council Offices | City of Santa Clara
(408) 615-2252 | www.santaclaraca.gov



From: une vagabonde

**Sent:** Friday, May 9, 2025 6:21 PM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov>

**Subject:** Related Santa Clara / City Place

You don't often get email from une.vagabonde@gmail.com. Learn why this is important

Dear Mayor Gillmor and Council Members,

My name is Thanh, and I reside in the neighborhood located between Bracher school and Wilcox. I am writing to express my concerns regarding the increasing presence and location of data centers in our city.

I have observed the significant data centers constructed in recent years behind Bracher Park and in the Scott/Monroe neighborhoods. Based on my own map analysis, I've noted that data centers in Santa Clara are largely concentrated in the central area. This region frequently overlaps with areas identified as "Communities of Concern," which experience disproportionate environmental burdens, and also falls within areas highlighted in our Bicycle Master Plan (Figure 6). According to 2010 data, this central area is also predominantly Hispanic.

My concern extends to the proposed data center conversion at the Related development site near Levi's Stadium. This location is in a predominantly Asian area (2010 data). The site was originally planned as a substantial 3 million square foot mixed-use project – significantly larger than Santana Row – designed to include retail, restaurants, hotels, and residential units. Converting this space into a data center would replace a potentially vibrant, publicly accessible area with a facility that inherently offers no public life or activity, both inside and out.

Given the increasing housing density in North Santa Clara and the critical lack of open space, I urge you to completely deny the proposed switch of the Related development to a data center. As a team dedicated to public service and the well-being of residents, I hope it is clear that designing spaces devoid of life and public interaction is not in the best interest of our community. We need spaces that allow our communities to thrive, age well, and remain healthy and active.

While it may be too late to alter the existing large buildings behind our homes and parks, perhaps these structures could be viewed as blank canvases. I suggest exploring opportunities for large-scale murals that could feature and elevate the work of local artists, adding some visual interest and community connection to these otherwise sterile facades.

For your reference, here are the links I consulted:

Santa Clara Bicycle Master Plan:
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>

Draft Data Centers mapped in Santa Clara:
 <a href="https://www.arcgis.com/apps/mapviewer/index.html?">https://www.arcgis.com/apps/mapviewer/index.html?</a>
 <a href="https://www.arcgis.com/apps/mapviewer/index.html?">webmap=461e84c6471f44f2b4c855a575ba762e</a>

Thank you for your time and consideration of this important matter. Please also let me know if you feel my analysis is off.

Sincerely,

Thanh

Pilot Knob Dr, Santa Clara

Former BPAC member (2018-2020)



#### **CONDITIONS OF APPROVAL**

PLN24-00060 5155 Stars and Stripes Boulevard APNs: 097-01-069, 097-01-039, 104-01-102, 104-03-036, 104-03-037, 104- 03-038 and 104-03-039

**Project Description**: General Plan Text Amendment, Zoning Code Text Amendment and Amendment to the Master Community Plan for the Related Santa Clara Project (formerly referred to as "City Place") to Introduce a Scheme C Land Use Scenario.

In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval shall be applied to the Master Community Plan Scheme C Supplement (MCP). The conditions of approval and obligations cited herein may be altered as necessary and additional specific detailed conditions may be added by the Executive Project Clearance Committee (Exec PCC) to accommodate the specific development Phases provided for in individual Development Area Plans (DAPs) called for under the provisions of the Master Community Plan (MCP). Detailed requirements and conditions specific to any DAP will be applied to the Council's consideration of that DAP approval.

References herein to the term *Parcels* shall be consistent with those five identified in Exhibit 1-4 of the MCP. References herein to the term *Phases* shall be consistent with those six or seven identified in Exhibit 2C-1 or 2-2 of the MCP, as appropriate.

#### **GENERAL**

1. Prior to submitting a DAP application, the Master Developer shall submit and secure approval from the Community Development Director of an integrated MCP for Schemes A and B (if the Master Developer will pursue Schemes A or B) or an integrated MCP for Scheme C (if the Master Developer will pursue Scheme C). The integrated MCP shall include only those elements applicable to Schemes A and B or Scheme C, as applicable, and shall also include any changes incorporated into the MCP in accordance with Council approvals. The Master Developer may elect to submit both an integrated MCP for Schemes A and B and an integrated MCP for Scheme C.

(a)

- 2. All development, construction and uses shall comply with all applicable codes, regulations, ordinances and resolutions that are not otherwise altered by the specific development entitlements for the project.
- 3. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
- 4. The project shall comply with the conditions set forth in the Development Agreement and Development and Disposition Agreement in effect between the City of Santa Clara and Related, Santa Clara, LLC.
- 5. The project shall comply with the mitigation measures included within the Mitigation Monitoring or Reporting Program for the Project, each of which is hereby imposed as a condition of approval.
- 6. Provide filtration systems for on-site residences and daycare centers as necessary to reduce operational cancer risks and exposure to particulate matter 2.5 microns in diameter or less (PM2.5). This measure only applies to on-site residences and daycare centers. The Project Developer shall implement the following measures, as necessary, to reduce cancer risks to a

level less than BAAQMD project-level thresholds:

- (a) Revised Health Risk Assessment (HRA): The Project Developer may choose to reassess the potential on-site cancer risk and PM2.5 concentrations to be experienced by on-site residential receptors and on-site daycare centers later in the design Phase, but prior to occupancy, and to prepare a revised HRA using updated receptor location information and more detailed assessment of risks associated with existing and project operational sources, and submit to the City for review. If the revised HRA demonstrates, to the satisfaction of the City, that the cancer risk and exposure to PM2.5 for all potentially exposed on-site receptors will be less than BAAMQD project-level thresholds, then no additional measures are necessary. If the revised HRA demonstrates, to the satisfaction of the City, that the cancer risk or exposure to PM2.5 for on-site sensitive receptors will be less than presented in the EIR but still over the BAAMQD threshold, then the control effort may be less.
- (b) Install filtration systems on ventilation and recirculation systems. Filtration systems shall be installed on ventilation and recirculation systems within on-site residences and the heating, cooling, and ventilation systems that serve daycare centers that are exposed to risks above BAAQMD thresholds due to individual existing sources. All filters must be rated MERV 13 or higher. The Project Developer shall submit a plan for installation and maintenance of all filters in accordance with the manufacturer's recommendations to the City prior to approval of the first building permits.
- 7. Prepare and implement a noise control plan to reduce interior noise at sensitive land uses. The Project Developer shall conduct a design-level acoustic study that identifies exterior noise levels for residential and commercial uses on the project site. This study shall take into account existing, project, and reasonably foreseeable future noise sources (such as proposed increases in passenger rail service along the Lafayette Street corridor). Where this study finds that the exterior noise level would exceed the residential compatibility standard of 55 dBA Ldn or the commercial incompatibility standard of 65 dBA Ldn, the Project Developer shall prepare a design-level operational noise control plan to provide acceptable interior noise levels. This plan shall identify all project features and treatments that will be implemented to ensure that the project is in compliance with the interior noise standards listed in the City's General Plan and City Code as well as the standards specified for new construction within the Comprehensive Land Use Plan (CLUP) for Mineta San Jose International Airport (SJC). The study and plan shall be developed by an acoustical design professional. Design features and treatments will be identified to ensure that interior noise levels at new proposed uses are in compliance with the noise standards. The report shall be submitted to the City for review and approval prior to the issuance of building permits for the project. Depending on the noise exposure for a particular site, such treatments may include, but are not limited to, those listed below, as recommended by the acoustical design professional.
  - (a) Construction of enclosures around noise-generating mechanical equipment at commercial uses.
  - (b) Use of setbacks from noise sources to maximum attenuation of noise over distance.
  - (c) Installation of noise-reducing treatments in new buildings, including:
    - High-performance, sound-rated double-glazed windows,
    - Sound-rated doors,
    - Sound-rated exterior wall construction,
    - Special acoustical details for vents,
    - Acoustical caulking at all exterior facade penetrations,
    - Sound-rated roof and ceiling constructions, and
    - Adequate mechanical ventilation so that windows and doors may be kept closed at

the discretion of the building occupants to control environmental noise intrusion.

- 8. Prepare and implement a vibration control plan to reduce vibration from the Union Pacific Railroad (UPRR) for sensitive land uses. The Project Developer shall prepare a design-level operational vibration control plan that identifies all project features and treatments that would be implemented to ensure that the project is in compliance with the vibration standards recommended by the Federal Transportation Administration (FTA) relative to railway operational vibration associated with UPRR operations. The plan shall be prepared when new uses would be located within the following screening distances, as recommended by FTA (FTA 2006):
  - a. Category 1: Buildings where vibration would interfere with interior operations (600 feet).
  - b. Category 2: Residences and buildings where people normally sleep (200 feet).
  - c. Category 3: Institutional land uses with primarily daytime use (120 feet). The plan shall take into account current and future expected passenger and freight rail service levels adjacent to the project site. The plan shall be developed by an acoustical design professional and shall include a detailed investigation of ground-borne train vibration that considers site-specific train vibration source and propagation conditions and the actual building designs. The design features and treatments shall be identified to ensure that vibration levels at new proposed uses are in compliance with FTA standards. The report shall be submitted to the City for review and approval prior to the issuance of building permits for the project. Depending on the vibration exposure for a particular site, such treatments may include, but are not limited to, those listed below, as recommended by the acoustical design professional.
  - d. Increased setbacks of noise-sensitive uses from the train track.
  - e. Foundation isolation systems to reduce the transmission of vibration into buildings with noise-sensitive uses that are near the tracks.
- 9. Incorporate flood warnings for access roads for areas vulnerable to flooding. The Project Developer and the City shall coordinate to provide flood warnings for new and existing roadways that provide access to the site and are vulnerable to 100-year flood levels. The Project Developer shall review the City's flood warning and emergency response plan and submit a brief plan for the project that is consistent with the City's plan. The plan shall be submitted to the City's Emergency Services Coordinator in the City's Fire Department for review and approval. The specific frequency of expected flooding on-site access roads shall be determined by the Project Developer and reviewed by the City. Flood warnings may be temporary or permanent, depending on the frequency of expected flooding, as determined by the City. Information about alternative access/egress routes, based on flooding potential and other factors, shall also be provided by the Project Developer to the City's Emergency Services Coordinator in the City's Fire Department for review and approval. If other flood improvements are implemented that remove the flooding risk at the site access roads, then this condition of approval shall no longer be required.

# **ENGINEERING**

- E1. Developer is responsible for cost of relocation or modification of any public facility necessary to accommodate subject development, unless the cost of relocation or modification of a utility is the responsibility of a franchisee under a franchise agreement. Planned changes to existing facilities shall be included with and described in proposed infrastructure plans required at the time of DAPs.
- E2. Following approval of Tentative Maps and/or Vesting Tentative Maps by Council, the Developer shall file Final Maps for approval and recordation to the satisfaction of the Director of Public Works prior to the issuance of building permits for the DAP, except as follows:
  - a. For DAP 1, a Tentative Map or Vesting Tentative Map shall be approved by Council prior to the

issuance of building permits for buildings located on property covered by DAP 1, and a Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation covering property on which the building is located prior to the issuance of any certificate of occupancy for any building within DAP 1.

- b. For DAP 2, a Tentative Map or Vesting Tentative Map shall be approved by Council prior to the issuance of building permits for buildings located on property covered by DAP 2, and a Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation covering property on which the building is located prior to the issuance of any certificate of occupancy for any building within DAP 2.
- E3. Infrastructure plans that are submitted with the DAP application shall address infrastructure needs for the entire phase where the DAP infrastructure needs must rely on, may be affected by, or may affect any future phase(s) of development. The submitted DAP infrastructure plans in that case shall provide not less than conceptual plans for or a description of the design of the infrastructure in the future phase(s), to the satisfaction of the Director of Public Works. Plans shall be prepared by a Registered Civil Engineer and approved by the City Engineer prior to approval and recordation of Final Map and/or issuance of building permits.
- E4. The Sanitary sewer (SS) laterals from Parcel 1 and Parcel 2 shall connect to the westernmost 42" SS main in Lafayette Street. The SS laterals from Parcel 3 and Parcel 4 shall connect to the 42" SS main running between the two parcels from Great America Parkway to Lafayette Street. Parcel 5 shall be connected to the 12" SS main in Stars and Stripes Drive. The City shall determine available SS capacity for each main as of the time of project entitlements, including each DAP or DAP Amendment, and the Developer shall construct facility improvements to accommodate the maximum MCP development. The Developer may be reimbursed for design and construction costs above its fair share costs.
- E5. Execute Covenant(s) Running with the Land to assume maintenance responsibility for non-standard street improvements within public rights-of-way prior to the City's acceptance of said improvements. Non-standard street improvements include, but are not limited to, curb return type driveway(s).
- E6. Obtain site clearance through the Engineering Department prior to issuance of building pe1mits. Site clearance will require payment of applicable development fees prior to issuance of the building permit. Other requirements may be identified for compliance during the site clearance process.

# **TRAFFIC**

TR1. If the Lick Mill Boulevard extension north of Tasman Drive is constructed as a 4-lane minor arterial road before the Developer implements the proposed Scheme C development, the Developer shall modify Lick Mill Boulevard from a 4-lane minor arterial road to a 2-lane collector street, in accordance with the street design guidelines specified in the Tasman East Specific Plan. The anticipated changes would involve lane reconfigurations to reduce travel lanes, potential improvements at the northern terminus of Lick Mill Boulevard, the addition of on-street parking, and the implementation of traffic-calming features within the existing public rights-of-way.

#### **ELECTRIC**

EL1. DAP infrastructure plans and documents that address the electrical distribution system shall specify on-site private electric facilities and off-site public electric facilities to address the needs of the particular DAP and, conceptually, the needs of the overall phase which contains that DAP. To the extent that development of any particular DAP or phase may affect service to other phases, a conceptual plan or description of those needs shall be included in the application.

- EL2. On-site infrastructure is the Developer's responsibility. The Developer shall install the substructures required to meet Silicon Valley Power (SVP) design requirements. SVP will install all cable and equipment facilities. The Developer will pay for any and all costs associated with installation of these facilities.
- EL3. Developer shall provide the City easements and all rights of way for electric facilities and access for all facilities located on private streets or within structure boundaries.
- EL4. The Developer entered into the Esperança Substation Agreement (the "Existing Substation Agreement") with the City of Santa Clara, dated December 3, 2019. Under the Existing Substation Agreement, up to 27 MVA of electrical capacity ("Available Capacity") is allocated for the Developer's use from Esperança Substation in connection with the project described therein. In addition, SVP and Developer are in discussions to amend the Existing Substation Agreement to among other things increase the Available Capacity by an additional 6.5MVA, which amendment will be subject to both City Council approval and such other SVP requirements including but not limited to Conditions of Approval EL.6 through EL.10 (the "Pending Amendment"). If the Developer requires electrical capacity or modifies the development after approval of the Pending Amendment, a further amendment to the Existing Substation Agreement and/or a new substation agreement will be necessary to accommodate such additional capacity or project modifications. In such instances, Conditions of Approval EL 6 through EL 10, along with any other conditions reasonably required by Silicon Valley Power (SVP), shall apply.
- EL 5. SVP is currently conducting a distribution system impact system study (In Progress SIS). Developer submitted an application for the In Progress SIS in October 2024. This In Progress SIS does not include (and will not include) any data center loads in Parcels 1 and 2.
- EL 6. If Developer modifies the project described in the In Progress SIS or requires capacity above the Available Capacity, additional requirements will be required based on SVP's evaluation of the modified development and its estimated load. In such case, the Developer shall submit an updated project description to SVP with such additional information as SVP may require. If SVP determines a new or amended system impact report is required based on the new project description or request for additional capacity, Developer shall submit an application for a new or amended system impact study (either distribution and transmission, or both) or other study as required, enter into a deposit agreement as required by SVP, and pay for the cost of these studies.
- EL 7. In connection with EL 6, if the modified development's estimated load exceeds 13.5 MVA for any parcel (or such lower amount as may be determined by SVP), SVP will require a transmission system impact study which will assess the following:
  - a. System capacity of SVP's electric transmission system to serve the proposed load.
  - b. System capacity of PG&E's electric transmission system to serve proposed load.
    - i. This is determined by studies performed by the California Independent System Operator (CAISO) in its yearly Transmission Planning Process (TPP).
    - ii. Any mitigation measures identified, and/or construction schedules required by PG&E to the Developer's proposed load ramp. Any PG&E identified mitigations and/or construction schedules are not controlled by SVP nor is SVP responsible for any delays caused by these project schedules. Cost, if applicable, shall be borne solely by Developer.
  - c. Determine if developer's load ramp can be accommodated
- EL.8 In connection with EL. 6, if SVP determines sufficient electric capacity is available for modified development or request for additional capacity under a system impact study (either distribution and transmission, or both) or such other study required by SVP, Developer shall secure an amendment to the Existing Substation Agreement (which would include the Pending Amendment) and, for any such requests after the Pending Amendment, a subsequent amendment and/or a new substation agreement,

in either case, on terms and conditions required by Silicon Valley Power in order to secure interim electric capacity and electric capacity for the modified development. Such amendment to the Existing Substation Agreement and/or new agreement shall contain the amount of allocated capacity and load ramp. The Developer will fully fund the design and construction of electric infrastructure improvements required by SVP in connection with the development.

- EL.9 If SVP determines no electric capacity is available for Developer's request for additional capacity, no additional electric capacity shall be provided by SVP. If SVP determines that the modified development (or request for additional capacity) must be studied in the CAISO Transmission Planning Process (TPP), the Developer shall pay the CAISO System Impact Study Fee and any other CAISO fees and costs
- EL.10 Pre-Design Work If applicable, the Developer shall enter into a deposit agreement (in a form required by SVP) with the City, outlining the Developer's funding obligations for pre-design work related to the substation and/or distribution or transmission infrastructure necessary to support the development or any modifications thereto. Developer shall be responsible for the cost of the ampacity and grounding study (performed by SVP) for their Developer's distribution system incorporated into the pedestal design of the development. The requirements from the ampacity and grounding study shall be incorporated in the slab and pier construction on the parcels with landfill.
- EL.11 The Development shall not encroach on SVP's Underground 230kV Line trench such that it is accessible with an 18' drivable surface over its entire alignment. Areas around manholes will require additional space. Any proposed development encroachments or changes (including, but not limited to, new electrical equipment, substructures, new streets, changes in grading and cover, landscaping and bioretention) will require additional analysis by SVP to ensure the capacity rating of the 230 kV line is not negatively impacted.
- EL.12 These approvals do not grant Developer's project any electric power for its project.

# Conditions E13 through E37 shall apply at the detailed design level unless SVP alters or waives any requirement in writing.

- EL.13 **Utility Plan -** Electric Utility Infrastructure must be included in Civil Composite Drawings (C4) with horizontal profiles showing clearances.
  - a. Show existing infrastructure and easements.
  - b. Show new proposed infrastructure and easements per markups that will be provided once a utility plan is submitted.
  - c. Show all the trees.
  - d. Show all the electrical rooms for each building.
- EL.14 **Initial Information:** Developer shall provide a site plan showing all existing utilities, structures, easements, and trees. Developer shall also include a detailed panel schedule showing all current and proposed electric loads.
- EL.15 **Work Drawing:** Developer shall have a work drawing created for the site by either an SVP estimator or through the design process. All SVP standards and clearance requirements must be met, or variance approvals must be granted by SVP. The Developers' work drawing shall include but is not limited to: SVP substructure for primary, low voltage, streetlight, and fiber facilities. SVP facilities may extend off-site to the nearest utility connection point to tie in with existing infrastructure as deemed necessary by SVP.
- EL.16 **Encroachment Permit:** Prior to issuance of Building Permits, the Developer shall submit an encroachment permit application with an *approved* SVP Developers Work Drawing for construction of

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- electric utilities that comply with the latest edition of SVP Standards and Rules and Regulations, Electric Notes, and Electric Standard Details and Specifications
- EL.17 **Applicants Switchgear:** Development's main switchgear with SVP meters must meet EUSERC standards and be approved by SVP's meter shop prior to ordering. Switchgear for 12KV gear must have batteries sized for 4 hours of operation, no capacitive tripping, and 2 sets of relays, CTs, & PTs for each main. All double ended switchgear with a tie breaker must include a kirk-key interlock scheme and an SVP provided warning label for the operation of the main tiebreaker.
- EL.18 **AMI/Fiber Building Requirements:** All projects implementing high rise metering and multi-floor infrastructure requirements shall meet the requirements outlined in UG 0250 & FO1901.
- EL.19 **Easements**: Prior to the City's issuance of Building or Grading Permits, the Developer shall provide a dedicated underground electric utility easement (U.G.E.E) around the electric onsite facilities. The electric utility easement shall be a minimum of 10 feet wide around conduit and 5' minimum around equipment and vault/manhole pads. Additionally, the Developer shall submit plans defining existing easements so SVP can verify if there are any conflicts with new proposed easements or improvements. The Developer shall grant to the City, without cost, all easements and/or rights of way necessary for serving the development and for the installation of utilities (Santa Clara City Code chapter 17.15.110).
- EL.20 **Coordination Study:** For any services taken at 12KV, a coordination study will need to be conducted by the Developer prior to energizing the service for the development.
- EL.21 **Developer Switchgear:** Developer's switchgear will be inspected on site by SVP to ensure compliance with approved switchgear drawings. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G7, Rev. 2.
- EL.22 **Electric Facilities:** Prior to the City's issuance of occupancy, the Developer shall construct all electric utilities per the approved SVP Developers Work Drawing. SVP will inspect all electric utility installations and all other improvements encroaching on electric facilities.
- EL.23 **Municipal Fees:** Prior to electric service energization, all applicable fees per the City of Santa Clara's Municipal Fee Schedule at time of energization shall be paid by the Developer.
- EL.24 **Costs & Expenses:** Unless expressly stated otherwise or covered by a fee to be paid by the Developer, Developer shall be responsible for all costs and expenses associated with fulfilling these conditions of approval.
- EL.25 **Access:** SVP will require 24-hour unobstructed access to all SVP equipment which includes: manholes, transformers, vaults, switches, meters, indoor electrical rooms with SVP owned equipment etc.
- EL.26 **SVP Rules and Regulations:** Developer shall comply with all applicable SVP rules, regulations, standards, guidelines, and requirements, as may be amended from time to time.

#### **EL.27 SVP Equipment Clearances:**

- a. Access Doors: Ten (10) foot minimum clearance in front of equipment access doors.
- b. Pad Sides: Five (5) foot minimum clearance from pad on sides without access doors.
- c. **Truck Access:** Eighteen (18) foot minimum width on one side of the equipment pad for truck access.
- d. Barrier pipes: (on sides accessible to vehicles)
  - i. Thirty (30) inches from equipment sides.
  - ii. Forty-Eight (48) inches in front of access doors. (use removable bollards)

# **EL.28 SVP Conduit Clearances:**

- a. **Longitudinal**: Five (5) foot minimum between new conduits/piping and existing/proposed SVP conduits.
- b. **Vertical**: Twelve (12) inch minimum between new conduit/pipes perpendicular to existing SVP conduits.

- c. **Poles/Posts**: Three (3) foot six (6) inches clearance required from poles (electrolier, guy stub, service clearance, self-supporting steel, and light poles), except for riser conduits. This is reduced to a three (3) foot minimum for posts (signposts, barrier pipes, bollards, fence posts, and other similar posts).
- d. **Longitudinal**: Five (5) foot minimum between new conduits/piping and existing/proposed SVP conduits
- e. **Vertical**: Twelve (12) inch minimum between new conduit/pipes perpendicular to existing SVP conduits
- f. **Poles/Posts**: Three (3) foot six (6) inches clearance required from poles (electrolier, guy stub, service clearance, self-supporting steel, and light poles), except for riser conduits. This is reduced to a three (3) foot minimum for posts (signposts, barrier pipes, bollards, fence posts, and other similar posts).

#### EL.29 SVP Vault/Manhole Clearances:

- a. Conduits: Five (5) foot minimum to tree root barrier or other subsurface wall or structure.
- b. **Equipment:** Five (5) foot minimum to tree root barrier. The tree canopy drip line cannot be over the SVP equipment.
- c. **Subsurface Facilities:** Five (5) foot minimum to any electric department facilities. Any existing trees in conflict will have to be removed.
- d. **Easements:** No trees shall be planted in SVP's U.G.E.E or P.U.E's.
- EL.30 **Transformer & Switch Placement:** these devices and pads may only be located outdoors. Clearances to buildings are defined in UG1225. All projects are to assume mineral oil fluid, unless otherwise approved by SVP.
- EL.31 **SVP Standards.** Developer shall comply with the following SVP standards (as may be amended or supplemented).
  - a. UG1000 Installation of Underground Substructures by Developers
  - b. UG1250 Encroachment Permit Clearances from Electric Facilities
  - c. UG0339 Remote Switch Pad
  - d. OH1230 Tree Clearances from Overhead Electric Lines
  - e. SD1235 Tree Planting Requirements Near Underground Electric Facilities
  - f. UG1225 Pad mounted Equipment Clearances and Protection
  - g. UG0250 High Density Residential Metering Requirements
  - h. FO-1901 Fiber Optic Splicing and Testing Methods
  - i. SVP Rules and Regulations Latest Edition

#### **SVP Standards, Miscellaneous:**

- a. In the case of podium-style construction, all SVP facilities and conduit systems must be located on solid ground (aka "real dirt") and cannot be supported on parking garage ceilings or placed on top of structures.
- b. No splice boxes are allowed between the SVP utility connection point and the Developer's main switch board.
- c. SVP does not utilize any sub-surface (below grade) devices in its system. This includes transformers, switches, etc.

#### EL.33 Meter Locations:

a. All interior meter rooms at ground level are to have direct, outside access through only ONE door. Interior electric rooms must be enclosed in a dedicated electric room and cannot be in an open warehouse or office space.

# **EL.34 Underground Service Entrance**

- a. (277/480V Service or Lower) Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes to the SVP defined utility connection point.
- b. (12KV Service) SVP terminates cable on the Developer owned switchgear.
- c. No cross-parcel distribution is allowed. SVP service points must be within the parcels that they serve.

#### EL.35 Code Sections:

- a. The Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.
- b. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter **17.15.050**.
- c. The Developer shall perform, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the Developer will dedicate the improvement to the City subject to City's acceptance of the work. The Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect Developer to SVP's electric grid. After completion of the facilities installed by the Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system per Santa Clara City Code chapter 17.15.210 (2).

# **EL.36** Existing Facilities:

- a. All existing SVP facilities, onsite or offsite, are to remain unless specifically addressed by SVP personnel in a separate document. It is the Developer's responsibility to maintain all clearances from equipment and easements. Developer should not assume that SVP will be removing any existing facilities without detailed design drawings from SVP indicating potential removals. Simply indicating that SVP facilities are to be removed or relocated on conceptual plans does not imply that this action has been approved by SVP.
- b. Any relocation of existing electric facilities shall be at Developer's expense.
- EL.37 **Generators:** Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering Division. A Generating Facility Interconnection Application must be submitted with building permit plans. The review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written authorization from the SVP Electric Engineering Division.

# **WATER**

- WI. Each DAP submittal shall indicate all service connections and facilities for potable and recycled water and sanitary sewer facilities to serve the development area. To the extent necessary, plans shall include conceptual plans to serve the remainder of the Phase or future Phases that will rely on these facilities, to the satisfaction of the Director of the Water and Sewer Utilities.
- W2. Prior to issuance of Building Permits, the Developer shall submit plans for water service to each individual building parcel, site and/or building to be connected to a public main in the public right-

of-way to the satisfaction of the Director of Water & Sewer Utilities. Additionally, different types of water use (domestic, irrigation, fire) shall be served by separate water services.

Plans shall also indicate locations of proposed fire hydrants.

### **FIRE DEPARTMENT**

- FD1. When in the opinion of the fire code official, a new structure obstructs emergency radio communications to existing buildings or to any other locations, the Developer shall resolve the deficiency to the satisfaction of the Fire Department, which may include requirements to provide and install radio retransmission equipment necessary to restore communications capabilities. Any required equipment shall be located in a space or area within a new structure approved by the Fire Department.
- FD2. Each DAP application shall include proposed access routes for emergency service vehicles. Plans may be required to include the entire Phase in which the DAP is included and may necessitate conceptual plans for access through or to future Phases to the extent that may be necessary to the satisfaction of the Fire Chief.
- FD3. Construction and final development in each Phase and DAP shall comply with applicable fire standards, codes, and policies, including emergency access requirements.
- FD4. The Developer shall provide a replacement Fire Station in accordance with the Disposition and Development Agreement.

# **POLICE**

PD1. The Developer shall include, for each building, design specifications that meet the City of Santa Clara's guidelines established for radio signal penetration, as detailed in the Communications Department's Public Safety Radio System Building Penetration Guidelines. The intended use of telecommunications sites/equipment shall be clearly and accurately stated in the building documentation. The signal, of whatever nature, of any communications facility or system, shall in no way whatsoever interfere with or affect any police communication or police communication system.

#### **PARKS AND RECREATION**

PRI. The Developer shall comply with the City's Park and Recreational Land Ordinance (SCCC Ch. 17.35), subject to conformance with and as otherwise satisfied by the provisions of the MCP, Development Agreement and Disposition and Development Agreement, to the satisfaction of the City Manager.

#### STREET DEPARTMENT

- STI. Submit copies of complete landscape and automatic irrigation plans for all public rights-of-way for review and comment by City staff. The Developer is to supply and install City street trees per the MCP and City specifications. Spacing, specie, and sizes of street trees shall be subject to approval of the City Arborist.
- ST2. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Provide the Street Department with information to evaluate proposed stormwater pollution prevention improvements for each Phase.
- ST3. Developer shall comply with City Development Guidelines for Solid Waste Services in each Phase, as specified by development type.

#### PLANNING AND BUILDING INSPECTION

- PI. DAP applications for partial Phases as described in the MCP may be required to include conceptual plans and information for areas outside of the DAP boundaries that address site access for the provision of safety and service by City forces, as well as related utility facilities, and schematic or concept plans addressing such items as open space and parks that may be constructed in future Phases on abutting sites.
- P2. Tentative Subdivision Map, Vesting Tentative Subdivision Map and/or Parcel Map applications consistent with the intent and obligations of the MCP, Development Agreement and Disposition and Development Agreement, and consistent with any parcel(s) indicated in the submission of the DAP, shall be approved by City Council prior to issuance of building permits for development within any Phase, Sub Phase or DAP within the area of that map application. Maps shall define development sites and provide for the dedication or disposition of public streets, utilities and parks/open space, to the satisfaction of the City.
- P3. The Developer will be required to prepare acoustical analyses and implement noise insulation features in building construction as required by the Mitigation Monitoring and Reporting Program.
- P4. The Developer shall be required to incorporate within the residential tenant lease agreements notification of the occurrence of aircraft traffic noise over the project site.
- P5. The Developer shall convey an avigation easement to the City of San Jose on behalf of the San Jose International Airport.
- P6. Obtain required permits and inspections from the Building Official and comply with the conditions thereof, based upon approved DAPs. Submittal of plans shall be consistent with a predetermined address numbering scheme based upon Phases identified in the MCP, to the satisfaction of the Building Official.
- P7. The Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any permit for grading or construction in accordance with an approved DAP, or as otherwise permitted or required under the obligations and rights of the Disposition and Development Agreement. A copy of the NOI shall be sent to the City Building Inspection Division. A stormwater pollution prevention plan is also required with the NOI.
- P8. Along with the submission of the first DAP within any Phase, a landscape and lighting concept plan for that Phase shall be provided and agreed upon by the Developer and the City. Landscaping and lighting concepts shall address public areas and street frontage areas, as well as open space and park areas within the Phase.
- P9. The Developer shall employ green building standards and materials in the site design and construction of structures within each DAP, designed to meet USGBC LEED standards for new construction, in accordance with the approved MCP.
- PI 0. The project will be required to comply with the City's Urban Runoff Pollution Prevention Program, including best management practice measures for construction and post-construction activity, including reducing runoff to public storm drain facilities from rooftops and paved surfaces.
- P11. Prior to the issuance of a grading or building permit, the Developer shall provide the Streets Division of Public Works third-party certification that the stormwater control plan meets applicable C.3 requirements, along with an Operations and Maintenance Agreement approved by the City for post-construction maintenance of C.3 devices/measures. Each DAP phase shall meet its C.3 requirements on its own merit. If a banking system is to be created to achieve compliance for the entire project's full implementation, the applicant shall first create area treatment surplus (credit) during the earlier DAP phase(s) to be used by subsequent project phase(s).

- P12. Trees removed shall be replaced at a ratio of two new trees for every one removed tree. Any trees not replaced at the 2:1 ratio shall be subject to in-lieu payments consistent with City policy. The developer shall be responsible for maintaining a master accounting of all tree removals, tree replacements, and in-lieu fee payments and shall provide such information with each DAP submittal and upon the City's request.
- P13. The Developer shall prepare a Construction Management Plan (CMP) for review and approval prior to the issuance of initial grading or building permits for development within any Phase, Sub Phase or DAP. To the extent that information is known, a CMP may address some or all construction within the DAP or Phase, such that a CMP may not be required for each permit as called for in the adopted Mitigation Monitoring or Reporting Program.
- P14. Construction activity not confined within an enclosed building shall be limited to the hours of 7:00 a.m. to 6:00 p.m. weekdays and 8:00 a.m. to 6:00 p.m. Saturdays for construction within 300 feet of a residential use. Construction activity shall not be allowed on Sundays or recognized State and Federal holidays.
- P15. The Comprehensive Sign Program required by the MCP for Parcels 4 and 5 shall be considered and approved or conditionally approved by the City Council before the issuance of the first building permit (for buildings excluding below grade Tasman garage) for development undertaken pursuant to the DAP for Phase 1 or Phase 2. The Comprehensive Sign Program required by the MCP for Parcels 1 and 2 shall be submitted with the initial DAP submission for Parcel 1 or 2, whichever is submitted first, and shall be considered concurrently with and approved or conditionally approved as a part of the applicable DAP by the City Council.

#### KEY:

G = General

P = Planning Division

BD = Building Division

H = Housing & Community Services Division

F = Fire Department

PR = Parks & Recreation Department

PD = Police Department

E = Engineering Division

Streets Division (Landscape, Solid Waste, and Stormwater)

L = Landscape

SW = Solid Waste

ST = Stormwater

SVP = Silicon Valley Power

W = Water & Sewer Department

# ACKNOWLEDGEMENT AND ACCEPTANCE OF CONDITIONS OF APPROVAL

# Permittee/Property Owner

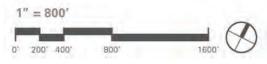
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property of	on the ter	ms and	conditi	ons set fo	rth i	n this p	ermit								

Signature:	
Printed Name:	
Relationship to Property:	
Date:	

Pursuant to Santa Clara City Code 18.128.100, the applicant shall return this document to the Department, properly signed and dated, within 30-days following the date of the Acknowledgement.

## EXHIBIT 3C-1 (SCHEME C): ILLUSTRATIVE SITE CONCEPT\*



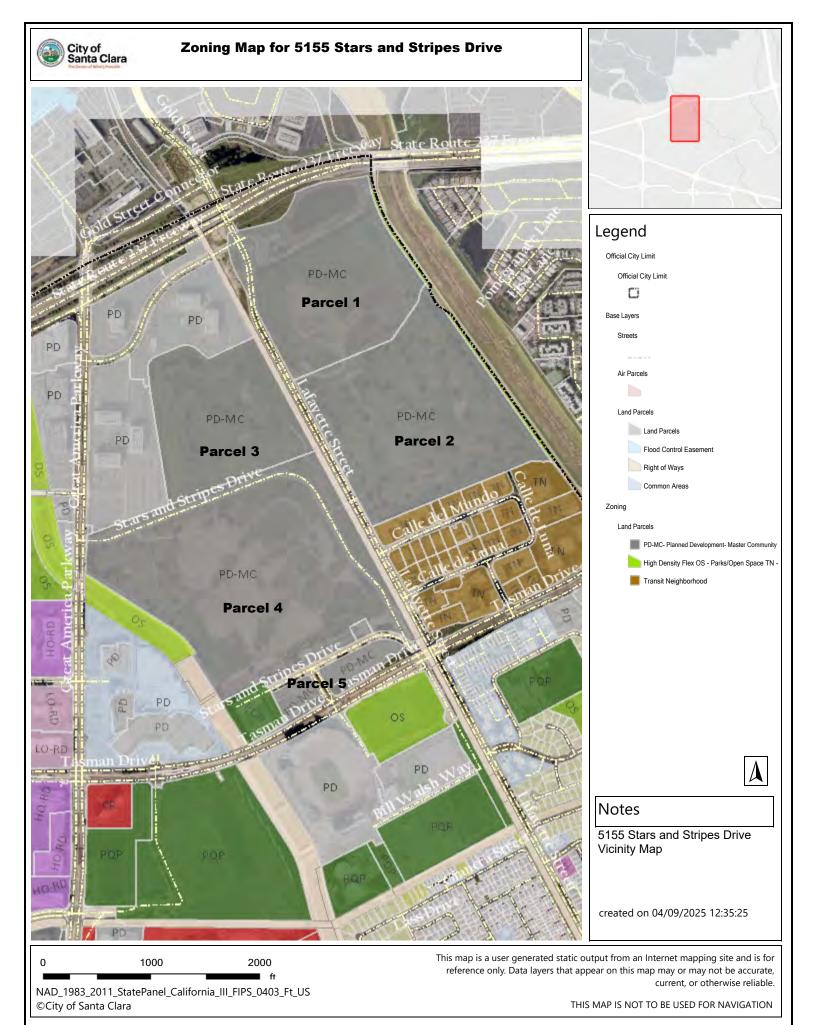


# Web Link- MCP Scheme C Supplement

**MCP Scheme C Supplement:** 

RSC MCP Scheme C Supplement

These documents are available for viewing in the Community Development Department



**Attachment 2: Project Data comparison** 

Project Number: PLN24-00060

**Project Address:** 5155 Stars and Stripes Drive **General Plan:** Urban Center/Entertainment

**Zoning:** Planned Development-Master Community

#### LAND USE DEVELOPMENT COMPARISON BY SCHEME

	Scheme A (under IHA)	Scheme B	Scheme C	Difference Scheme A to Scheme C	Difference Scheme B to Scheme C
City Center Mixed Use (Parcels 4 and 5) (gsf	)				
Office	1,372,400	2,852,400	4,517,400	+3,145,000	+1,665,000
Retail/Food and Beverage/Entertainment	1,502,000	1,502,000	800,000	-702,000	-702,000
Residential	1,680,000 (1,680 units)	200,000 (200 units)	1,680,000 (1,680 units)	(same number of units)	+1,480,000 (+1,480 units)
Hotel	578,000 (700 rooms)	578,000 (700 rooms)	567,000 (700 rooms)	-11,000 (same number of rooms)	-11,000 (same number of rooms)
Subtotal	5,132,400	5,132,400	7,564,400	+2,432,000	+2,432,000
Northeast Parcels (Parcels 1 and 2) (gsf)					
Office	4,032,000	3,832,000	0	-4,032,000	-3,832,000
Retail	- 5	200,000	0	0	-200,000
Industrial/Warehouse		- 6	1,600,000	+1,600,000	+1,600,000
Subtotal	4,032,000	4,032,000	1,600,000	-2,432,000	-2,432,000
Total Project (gsf)	9,164,400	9,164,400	9,164,400	0	0

#### NOTE:

Scheme C permits incidental retail and personal service uses primarily serving employees and customers of the principal light industrial use, not to exceed 10 percent of the floor area of the applicable building or campus. Scheme C also permits incidental office use primarily serving the administrative needs of the principal light industrial use, not to exceed 25 percent of the applicable floor area.

#### SOURCES:

ICF International, 2015. City Place Santa Clara Project Draft Environmental Impact Report. October 2015. Prepared for the City of Santa Clara. Available at: https://www.santaclaraca.gov/Home/Components/BusinessDirectory/BusinessDirectory/135/3649.

Related Santa Clara, 2025. Related Santa Clara Master Community Plan Scheme C Supplement, Chapter 8C, Infrastructure Overview – Scheme C Variant, June 2025.

## Web Links- Project Website and Addendum to 2016 EIR

### **Project Website:**

Here you will find a summary of the project and information regarding past community meetings and prior plan submittals.

Related Santa Clara | Projects Listing | City of Santa Clara

Link to the Approve Master Community Plan (MCP)

https://www.santaclaraca.gov/home/showpublisheddocument/58715/636679554252070000

#### **Environmental Website:**

Here you will find documents related to the 2016 environmental assessment of the project and any information regarding meetings related to the environmental assessment of the project.

Related Santa Clara (formerly CityPlace Santa Clara) | CEQA Archive | City of Santa Clara

Link to the Addendum to the 2016 Santa Clara City Place Environmental Impact Report (EIR) prepared for Master Community Plan (MCP) Scheme C

Related Santa Clara Scheme C CEQA Checklist Addendum

These documents are available for viewing in the Community Development Department

A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA APPROVING AND ADOPTING AN ADDENDUM TO THE SANTA CLARA CITY PLACE ENVIRONMENTAL IMPACT REPORT, ANALYZING A NEW "SCHEME C" LAND USE SCENARIO FOR THE APPROVED MASTER COMMUNITY PLAN (MCP) FOR RELATED SANTA CLARA PROJECT LOCATED AT 5155 STARS AND STRIPES DRIVE, SANTA CLARA

Addendum to the Santa Clara City Place Environmental Impact Report (SCH #2014072078) PLN24-00060 (General Plan Amendment, Rezoning, and Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC ("Developer"), filed a development application to modify the approvals for a mixed-use development project for the approximately 240-acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin and vacant lots ("Project Site"); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place
Environmental Impact Report ("EIR") [SCH #2014072078] and adopted a set of CEQA Findings,
a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program
("MMRP") in accordance with the requirements of the California Environmental Quality Act
("CEQA"); adopted a General Plan Amendment changing the Project Site's land use designation
to Urban Center/Entertainment District and making corresponding text and figure changes
throughout the General Plan; approved a rezoning of the Project Site to the Planned
Development - Master Community (PD-MC) Zoning designation governed by the accompanying
Master Community Plan ("MCP") for the Related Santa Clara project (the "Approved Project,"
previously known as "City Place"); and approved a Development Agreement ("DA") and a

Disposition and Development Agreement ("DDA") to define the Developer's obligations to develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site while maintaining the already-approved office, retail, commercial, hotel, and residential uses on Parcels 4 and 5 of the Project Site, and maintaining the park and open space uses already approved on Parcel 3 and throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the "Proposed Project"); and

WHEREAS, the Zoning amendment proposes a text amendment to revise the permitted uses under the PD-MC Zoning designation to include a range of light industrial uses as permitted or conditionally permitted uses within that Zoning district and would add a new "Scheme C" land use scenario to the MCP and is more particularly described in the attached MCP Scheme C Supplement ("Zoning Amendment"); and

WHEREAS, the Developer has simultaneously applied to amend the General Plan land use designation applicable to the Project Site to allow for a range of light industrial uses within the Urban Center/Entertainment District ("General Plan Amendment"); and

**WHEREAS,** the Developer has also requested to amend its existing Development Agreement ("DA") with the City to incorporate provisions related to the Proposed Project ("DA Amendment"), and City staff have negotiated and recommended the DA Amendment; and

WHEREAS, the Developer has also requested to amend its existing DDA with the City, as previously amended, to incorporate provisions related to the Proposed Project ("DDA Amendment"), and City staff have negotiated and recommended the DDA Amendment (the DDA Amendment, together with the General Plan Amendment, Zoning Amendment, and DA Amendment are the "Project Approvals"); and

**WHEREAS**, on May 6, 2025, the City Council held a Study Session focused on the Proposed Project, public comments and the Project Approvals; and

WHEREAS, CEQA Guidelines Section 15164(a) states that the lead agency shall prepare an Addendum to a previously certified EIR if some changes are necessary but none of the conditions described in the CEQA Guidelines Section 15162, which call for the preparation of a subsequent EIR, have occurred; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan ("DAP") for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the "Santa Clara City Place EIR"); and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR ("Addendum") to be prepared in accordance with CEQA Guidelines Section 15164; and WHEREAS, following an analysis of the Proposed Project's changes, no new significant environmental impacts were identified, no substantial increases in the severity of previously identified impacts were discovered, and the Proposed Project remains subject to all previously adopted mitigation measures, as applicable and identified in the MMRP included as Appendix A to the Addendum; and

WHEREAS, on June 11, 2025, the Planning Commission held a duly noticed public hearing, opened and closed for public comments, and at the conclusion of which, the Planning Commission unanimously recommended the City Council adopt the Addendum; and WHEREAS, prior to taking action on this Resolution, the City Council has exercised its independent judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and concluded that, for the reasons set forth in the Addendum, no further environmental review is required for the modifications to the Approved Project contemplated by the Proposed Project;

WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing

for this item was published in the Santa Clara Weekly; and

WHEREAS, on June 18, 2025, the notice of public hearings for the July 8, 2025, City Council

Hearing for this item was mailed to property owners within a 1,000 foot radius of the Project Site

boundaries; and

WHEREAS, pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council

Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch

Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the

Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum

identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all

pertinent information in the record during which the City Council invited and considered any and all

verbal and written testimony and evidence offered in favor of and in opposition to the Proposed

Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The City Council hereby finds that the above Recitals are true and correct and by this

reference makes them a part hereof.

2. The City Council hereby finds that the Proposed Project would not cause substantial

changes to the Approved Project that would require major revisions to the Santa Clara City Place

EIR due to the involvement of new or more severe significant environmental effects.

3. The City Council further finds that no substantial changes would occur with respect to the

circumstances under which the Proposed Project is undertaken that would require major revisions to

the Santa Clara City Place EIR due to the involvement of new or more severe significant

environmental effects.

4. The City Council also finds that there is no new information of substantial importance, which

was not known and could not have been known with reasonable diligence at the time the Santa

Clara City Place EIR was certified, that shows (1) that the Proposed Project would have one or more

significant effects not discussed in the EIR, (2) significant effects previously examined in the EIR

would be substantially more severe than shown in the EIR, (3) mitigation measures or alternatives

previously found not feasible would in fact be feasible and would substantially reduce one or more

significant effects of the proposed project, but the Developer declined to adopt the mitigation or

alternative, or (4) mitigation measures or alternatives which are considerably different from those

analyzed in the EIR would substantially reduce one or more significant effects on the environment,

but the Developer declined to adopt the mitigation measure or alternative.

5. The City Council further finds that this Addendum does not require any new mitigation

measures, because the Proposed Project would not cause new significant impacts not previously

identified and mitigated to the greatest extent feasible in the Santa Clara City Place EIR.

6. The City Council finds that no new or substantially more severe significant environmental

impacts have been identified compared to the Santa Clara City Place EIR, and therefore none of the

conditions described in CEQA Guidelines Section 15162 requiring subsequent or supplemental

environmental review are present. Accordingly, pursuant to CEQA Guidelines Section 15164, the

changes and additions to the Santa Clara City Place EIR necessary to analyze the Proposed Project

are appropriately detailed in the Addendum, which is attached to this Resolution and incorporated by

this reference.

7. The City Council hereby designates the Director of Community Development as the

Custodian of Records for the Project, and the Planning Division at City Hall, 1500 Warburton

Avenue, Santa Clara, California, is the location of the documents and other material that constitute

the record of proceedings upon which this decision is based.

Resolution/ Related Santa Clara Project – Addendum to the Santa Clara City Place EIR Rev: 7/27/2023

8. Effective date. This resolution shall become effective immediately. I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 8TH DAY OF JULY 2025, BY THE FOLLOWING VOTE: AYES: **COUNCILORS:** NOES: **COUNCILORS: COUNCILORS:** ABSENT: ABSTAINED: **COUNCILORS:** ATTEST: \_\_\_ NORA PIMENTEL, MMC ASSISTANT CITY CLERK

CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Addendum to the Santa Clara City Place EIR

Resolution/ Related Santa Clara Project – Addendum to the Santa Clara City Place EIR Rev: 7/27/2023

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A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA APPROVING AND ADOPTING A GENERAL PLAN
AMENDMENT TO REVISE THE PERMITTED USES UNDER URBAN
CENTER/ENTERTAINMENT DISTRICT LAND USE DESIGNATION
FOR RELATED SANTA CLARA PROJECT LOCATED AT 5155
STARS AND STRIPES DRIVE, SANTA CLARA

Addendum to the Santa Clara City Place Environmental Impact Report (SCH #2014072078) PLN24-00060 (General Plan Amendment, Rezoning, and Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC ("Developer"), filed a development application to modify the approvals for a mixed-use development project for the approximately 240-acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin and vacant lots ("Project Site"); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place
Environmental Impact Report ("EIR") [SCH #2014072078] and adopted a set of CEQA Findings,
a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program
("MMRP") in accordance with the requirements of the California Environmental Quality Act
("CEQA"); adopted a General Plan Amendment changing the Project Site's land use designation
to Urban Center/Entertainment District and making corresponding text and figure changes
throughout the General Plan; approved a rezoning of the Project Site to the Planned
Development - Master Community (PD-MC) Zoning designation governed by the accompanying
Master Community Plan ("MCP") for the Related Santa Clara project (the "Approved Project,"
previously known as "City Place"); and approved a Development Agreement ("DA") and a

Resolution/ Related Santa Clara Project – General Plan Amendment

Disposition and Development Agreement ("DDA") to define the Developer's obligations to develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan ("DAP") for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the "Santa Clara City Place EIR"); and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site, maintain the already-approved office, retail, commercial, hotel, and residential on Parcels 4 and 5 of the Project Site, and maintain park and open space uses already allowed on Parcel 3 and throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the "Proposed Project"); and

WHEREAS, this General Plan amendment proposes a text amendment to revise the permitted uses under the Urban Center/Entertainment District land use designation to include a range of light industrial uses within that land use designation ("General Plan Amendment"); and WHEREAS, the Developer has simultaneously applied to amend the Planned Development Master Community (PD-MC) zoning designation and associated approved Master Community Plan ("MCP") that governs the Project Site to allow for the Proposed Project ("Zoning Amendment"); and

WHEREAS, the Developer has also requested to amend its existing Development Agreement ("DA") with the City to incorporate provisions related to the Proposed Project ("DA Amendment"), and City staff have negotiated and recommend the DA Amendment; and

WHEREAS, the Developer has also requested to amend its existing DDA with the City, as

previously amended, to incorporate provisions related to the Proposed Project ("DDA

Amendment"), and City staff have negotiated and recommended the DDA Amendment (the DDA

Amendment, together with the General Plan Amendment, Zoning Amendment, and DA

Amendment are the "Project Approvals"); and

WHEREAS, on May 6, 2025, the City Council held a Study Session focused on the Proposed

Project, public comments and the Project Approvals; and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were

thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR

("Addendum") to be prepared in accordance with CEQA Guidelines Section 15164; and

WHEREAS, on June 11, 2025, the Planning Commission held a duly noticed public hearing, at

the conclusion of which, the Planning Commission recommended approval of the General Plan

Amendment by a vote of 5-2; and

WHEREAS, prior to taking action on this Resolution, the City Council has exercised its independent

judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and

concluded that, for the reasons set forth in the Addendum, no further environmental review is

required for the modifications to the Approved Project contemplated by the Proposed Project; and

WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing

for this item was published in the Santa Clara Weekly; and

WHEREAS, on June 18, 2025, a notice of public hearing for the July 8, 2025, City Council Hearing

for this item was mailed to property owners within a 1,000 foot radius of the Project Site boundaries;

and

WHEREAS, pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council

Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch

Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the

Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum

identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all

pertinent information in the record during which the City Council invited and considered any and all

verbal and written testimony and evidence offered in favor of and in opposition to the Proposed

Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The City Council hereby finds that the above Recitals are true and correct and by this

reference makes them a part hereof.

2. The City Council finds and determines that the General Plan Amendment is in the interest of

the public good for the following reasons:

A. The proposed General Plan Amendment is deemed to be in the public interest, in that

the project introduces a new "Light Industrial" land use to the approved Master Community Plan

(MCP) creating a further mix of uses and creating employment opportunities and retaining the City's

economic base, while helping to create the opportunity for catalytic development that will encourage

further development of the Project Site and investment in the City Center component of the Project;

B. The proposed General Plan Amendment is consistent and compatible with the rest of

the General Plan and any implementation programs that may be affected, in that the introduction of

an opportunity for a range of new light industrial land uses in connection with the Proposed Project

will advance the purpose of the Urban Center/Entertainment District land use designation by

catalyzing redevelopment of the Project Site into tax-generating uses that support community vitality

and enhance the City's fiscal health while preserving the ability to concentrate transit-oriented

entertainment, retail, dining, office, residential, and recreational uses in the City Center and

maintaining the total approved gross square footage of 9.16 million square feet for the Approved

Project. In addition, on June 8, 2016, the Planning Commission recommended adoption of, and on

June 28, 2016, the City Council adopted, a set of General Plan Consistency Findings for the

Approved Project, attached hereto and incorporated herein by this reference. The City Council re-

adopts those Consistency Findings by reference, because the Proposed Project will continue to

advance the findings adopted in connection with the Approved Project as recommended by the

Planning Commission on June 11, 2025.

C. The General Plan Amendment has been processed in accordance with the

applicable provisions of CEQA, in that the City caused the preparation of the Addendum to the

certified Santa Clara City Place EIR, which demonstrates that the Proposed Project would not result

in any new or more severe significant environmental effects than the certified EIR analyzed;

D. The potential impacts of the General Plan Amendment have been determined not to

be detrimental to the public health, safety, or welfare, in that the Proposed Project continues to be

subject to an adopted Mitigation Monitoring and Reporting Program that includes all feasible

mitigation measure to reduce potentially significant environmental effects of the project to less-than-

significant levels, and a set of CEQA Findings and a Statement of Overriding Considerations for the

significant and unavoidable impacts that cannot feasibly be mitigations to less-than-significant levels

have been adopted in connection with the previously-certified Santa Clara City Place EIR; and

3. That the City Council hereby amends the General Plan by revising the definition of "Urban

Center/Entertainment District" in Subsection 5.2.2 ("Land Use Classifications and Diagram") of

Section 5.2 ("Land Use Diagram") of Chapter 5 ("Goals and Policies"), located immediately after the

definition of "Regional Mixed Use" and immediately before the definition of "Downtown Core," to

read as follows:

"Urban Center/Entertainment District

This classification is intended for local and regional scale destinations that feature a mixture

of some or all of the following: pedestrian-oriented commercial retail and services, urban

residential, hotel and employment generating uses, and a range of light industrial uses,

including general service, warehousing, storage, distribution, manufacturing and data

centers, within a defined planning area. It accommodates an intensity of development

intended to create a lively place of focus for community and commerce. Master planned

projects are encouraged, which may proceed through multiple phases and may entail

Resolution/ Related Santa Clara Project – General Plan Amendment

several individual parcels or development areas. The intensity of development within

individual parcels or sub-areas may vary, thereby allowing a more dense urban form in key

locations (for example, concentrated employment, retail services and/or housing served by

nearby transit facilities). The planning area may be designated as one of the following:

· Low Intensity Urban Center that allows an overall project that shall not exceed a

gross FAR of 1.0 for all combined office, commercial, retail hotel and light industrial

uses;

High Intensity Urban Center that allows an overall project that shall not exceed a

gross FAR of 2.0 for all combined office, commercial, retail hotel and light industrial

uses.

Accordingly, this classification accommodates a wide variety and mix of commercial and light

industrial activities serving residents, businesses and visitors from the local community and

surrounding region. Some combination of the following uses are allowed in vertical or

horizontal mixed-use arrangements: 1) retail sales and services; 2) restaurants and other

food and beverage uses; 3) entertainment venues such as cinemas, performance venues,

other interactive experiences, and active open space and plaza amenities; 4) hotels; 5)

corporate and general office; 6) commercial services; 7) a range of light industrial uses,

including general service, warehousing, storage, distribution and manufacturing, and data

centers; and (8) compatible uses of a similar commercial character. Auto-oriented uses such

as drive-through restaurants and auto service facilities are not appropriate uses.

Medium to very high density residential use (ranging from 37 to 90 du/ac) is also suitable to

this classification, while not subject to FAR limitations, the buildings could be restricted by

FAA or other applicable height restrictions/regulations. The integration of urban scale

housing is intended to contribute to a balanced community, reduce reliance on the

automobile, and promote the desired pedestrian-oriented character. Horizontal and vertical

mixing of compatible uses is permissible, bringing residents and workers in close proximity

Resolution/ Related Santa Clara Project – General Plan Amendment Rev: 7/27/2023 to basic services and desirable conveniences. Mixed use developments that afford active

lower floor(s) retail or commercial space along street frontages with residential units

arranged on upper floors are especially fitting as part of an urban core.

Development should support alternative modes of travel, incorporating accommodations for

transit users, bicyclists, and pedestrians, as well as utilizing and incentivizing transportation

demand management. Parking should be provided in a manner that does not disrupt the

desired pedestrian-orientation, and instead is arranged and scaled to help activate street

spaces. Shared parking among compatible uses is encouraged. Both structured and surface

parking are permissible, as appropriate to location and uses,

Open spaces and landscape features that enhance the public realm and meet the active and

passive recreational needs of multiple users shall be incorporated throughout a project. In

particular, open spaces should encompass some or all of the following: at-grade plazas,

greens and similar shared outdoor spaces suitable for formal and informal gatherings, as

well as pedestrian-friendly streetscapes that feature wide sidewalks, canopy trees, street

furniture, and other amenities, Upper/podium level courtyards and tenaces, as well as public

and private rooftop gardens are also encouraged."

Resolution/ Related Santa Clara Project – General Plan Amendment Rev: 7/27/2023 Page 7 of 8

3. <u>Effective date</u>	. This resolution shall be	ecome effecti	ve at such time as Ordinance No.
approving the	DA Amendment becom	es effective, a	and if such Ordinance has not become
effective by Decembe	er 31, 2025, this resoluti	on shall be de	eemed to be void and of no further
force or effect.			
I HEREBY CERTIFY	THE FOREGOING TO	BE A TRUE (	COPY OF A RESOLUTION PASSED
AND ADOPTED BY 1	THE CITY OF SANTA C	CLARA, CALIF	FORNIA, AT A REGULAR MEETING
THEREOF HELD ON	THE 8TH DAY OF JU	JLY 2025, BY	THE FOLLOWING VOTE:
AYES:	COUNCILORS:		
NOES:	COUNCILORS:		
ABSENT:	COUNCILORS:		
ABSTAINED:	COUNCILORS:		
		ATTEST:	NODA DIMENSE ANA
			NORA PIMENTEL, MMC ASSISTANT CITY CLERK
			CITY OF SANTA CLARA

Attachments incorporated by reference:

1. General Plan Consistency Findings

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A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA APPROVING AND ADOPTING AN AMENDMENT TO THE ZONING CODE TO REVISE THE PERMITTED USES UNDER THE PLANNED DEVELOPMENT MASTER COMMUNITY (PD-MC) LAND USE DESIGNATION AND TO ADD A NEW SCHEME C LAND USE SCENARIO TO THE MASTER **COMMUNITY PLAN FOR THE RELATED SANTA CLARA** PROJECT LOCATED AT 5155 STARS AND STRIPES DRIVE. SANTA CLARA

Addendum to the Santa Clara City Place Environmental Impact Report (SCH #2014072078) PLN24-00060 (General Plan Amendment, Rezoning, and Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC ("Developer"), filed a development application to modify the approvals for a mixed-use development project for the approximately 240acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin and vacant lots ("Project Site"); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place Environmental Impact Report ("EIR") [SCH #2014072078] and adopted a set of CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program ("MMRP") in accordance with the requirements of the California Environmental Quality Act ("CEQA"); adopted a General Plan Amendment changing the Project Site's land use designation to Urban Center/Entertainment District and making corresponding text and figure changes throughout the General Plan; approved a rezoning of the Project Site to the Planned Development - Master Community (PD-MC) Zoning designation governed by the accompanying

Master Community Plan ("MCP") for the Related Santa Clara project (the "Approved Project," previously known as "City Place"); and approved a Development Agreement ("DA") and a Disposition and Development Agreement ("DDA") to define the Developer's obligations to develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan ("DAP") for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the "Santa Clara City Place EIR"); and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site while maintaining the already-approved office, retail, commercial, hotel, and residential uses on Parcels 4 and 5 of the Project Site, and maintaining the park and open space uses already approved on Parcel 3 and throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the "Proposed Project"); and

WHEREAS, this Zoning amendment proposes a text amendment to revise the permitted uses under the PD-MC Zoning designation to include a range of light industrial uses as permitted or conditionally permitted uses within that Zoning district and add a new "Scheme C" land use scenario to the MCP, as more particularly described in the attached MCP Scheme C Supplement, which is attached to this Resolution and incorporated by this reference (the "Zoning Amendment"); and

WHEREAS, the Developer has simultaneously applied to amend the General Plan land use designation applicable to the Project Site to allow for a range of light industrial uses within the Urban Center/Entertainment District ("General Plan Amendment"); and

WHEREAS, the Developer has also requested to amend its existing Development Agreement ("DA") with the City to incorporate provisions related to the Proposed Project ("DA Amendment"), and City staff have negotiated and recommend the DA Amendment; and

WHEREAS, the Developer has also requested to amend its existing DDA with the City, as previously amended, to incorporate provisions related to the Proposed Project ("DDA Amendment"), and City staff have negotiated and recommended the DDA Amendment (the DDA Amendment, together with the General Plan Amendment, Zoning Amendment, and DA Amendment are the "Project Approvals"); and

WHEREAS, on May 6, 2025, the City Council held a Study Session focused on the Proposed Project, public comments and the Project Approvals; and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR ("Addendum") to be prepared in accordance with CEQA Guidelines Section 15164; and WHEREAS, on June 11, 2025, the Planning Commission held a duly noticed public hearing, open and closed for public comments, and at the conclusion of which, the Planning Commission unanimously recommended approval of the Zoning Amendment as recommended by staff, with the following modifications: in Chapter 3C.2 of MCP, page 21 of the MCP Scheme C, delete the Small Power Plant Exemption (SPPE) data centers from the list under "Light Industrial Parcels-Parcels 1 and 2 Light Industrial Campus Development Permitted Uses"; revise paragraph four on the same page under conditional uses so it applies to all data centers; and specify that all data centers shall be subject to a Conditional Use Permit process to be approved by the Planning Commission rather than a Minor Use Permit process; and

WHEREAS, prior to taking action on this Resolution, the City Council has exercised its independent judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and concluded that, for the reasons set forth in the Addendum, no further environmental review is required for the modifications to the Approved Project contemplated by the Proposed Project; and

WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing

for this item was published in the Santa Clara Weekly; and

WHEREAS, on June 18, 2025, a notice of public hearing for the July 8, 2025, City Council Hearing

for this item was mailed to property owners within a 1,000 foot radius of the Project Site boundaries;

and

WHEREAS, pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council

Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch

Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the

Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum

identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all

pertinent information in the record during which the City Council invited and considered any and all

verbal and written testimony and evidence offered in favor of and in opposition to the Proposed

Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

1. The City Council hereby finds that the above Recitals are true and correct and by this

reference makes them a part hereof.

2. Pursuant to SCCC Sections 18.256.040(a) and 18.256.060 (formerly Sections 18.56.040(a)

and 18.56.060, respectively), the City Council hereby finds that the proposed amendments to the

PD-MC zoning designation and the MCP are consistent with the General Plan, for the reasons set

forth in the General Plan Amendment Resolution;

3. The City Council hereby approves an amendment to Section 18.256.040 (formerly Section

18.56.040) of Chapter 18.256 (Planned Development – Master Community Zoning Districts) of Title

18 (Zoning), subject to the Project Conditions of Approval as attached hereto and incorporated by

Page 4 of 6

this reference, as follows:

"18.256.040 Permitted Uses.

Resolution/ Related Santa Clara Project – Zoning Amendment

Certain uses may be specifically permitted or permitted by use permit or may be disallowed

from any PD-MC plan in accordance with provisions herein below. The PD-MC approval by the City

may also require that specific types of uses be incorporated into the overall plan.

(a) Any residential, commercial, office, light industrial, SPPE data center (as defined in an

applicable PD-MC plan), research and development or public uses may be authorized if they are in

harmony with other authorized uses and serve to fulfill the function of the planned development

while complying with the City's general plan.

b) Massage establishments, as defined in SCCC 5.40.020(m), subject to SCCC

18.60.230.B.

(c) The following uses may be permitted in this zoning district if they are approved

specifically through the zoning entitlement process or approved through a use permit process as

specified in Chapter 18.114 SCCC, Conditional and Minor Use Permits:

(1) Auto service or repair;

(2) Drive-through restaurants and services;

(3) Beer and wine or alcoholic beverage service;

(4) Live entertainment and dancing;

(5) Ancillary Data Center (as defined in, and subject to the conditions of, an applicable PD-

MC plan);

(6) Non-SPPE Data Center (as defined in, and subject to the conditions of, an applicable

PD-MC plan).

(d) The following uses are prohibited, except where specifically authorized in an applicable PD-MC

plan adopted by the City Council:

(1) Auto sales;

(2) Appliances and bulk item sales;

(3) Industrial uses and uses involving quantities of hazardous materials that may have

Page 5 of 6

potentially significant health consequences;

Resolution/ Related Santa Clara Project – Zoning Amendment

(4) Wholesaling, warehousing and storage (indoor and outdoor) operations:

(5) Contractor's yards and other similar uses;

(6) Other uses that, in the opinion of the City Council, are incompatible with the character

and nature of the uses provided and approved in the master community plan."

4. That the City Council hereby approves the amendment to the approved Master Community

Plan to add a new Scheme C Supplement for the Related Santa Clara Project, as attached hereto

and incorporated herein by this reference, as part of the zoning map of the City.

5. Effective date. This resolution shall become effective at such time as Ordinance No.

approving the DA Amendment becomes effective, and if such Ordinance has not become effective

by December 31, 2025, this resolution shall be deemed to be void and of no further force or effect.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED

AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING

THEREOF HELD ON THE 8TH DAY OF JULY 2025, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: \_\_\_\_\_

NORA PIMENTEL, MMC ASSISTANT CITY CLERK CITY OF SANTA CLARA

Attachments incorporated by reference:

1. MCP Scheme C Supplement

2. Conditions of Approval

OR	DINA	NCE	NO.	
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AN ORDINANCE OF THE CITY OF SANTA CLARA, CALIFORNIA APPROVING AND ADOPTING AN AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTA CLARA AND RELATED SANTA CLARA, LLC, FOR THE RELATED SANTA CLARA PROJECT LOCATED AT 5155 STARS AND STRIPES DRIVE, SANTA CLARA

Addendum to the Santa Clara City Place Environmental Impact Report (SCH #2014072078) PLN24-00060 (General Plan Amendment, Rezoning, and Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC ("Developer"), filed a development application to modify the approvals for a mixed-use development project for the approximately 240acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin and vacant lots ("Project Site"); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place Environmental Impact Report ("EIR") [SCH #2014072078] and adopted a set of CEQA Findings, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program ("MMRP") in accordance with the requirements of the California Environmental Quality Act ("CEQA"); adopted a General Plan Amendment changing the Project Site's land use designation to Urban Center/Entertainment District and making corresponding text and figure changes throughout the General Plan; approved a rezoning of the Project Site to the Planned Development - Master Community (PD-MC) Zoning designation governed by the accompanying Master Community Plan ("MCP") for the Related Santa Clara project (the "Approved Project," previously known as "City Place"); and approved a Development Agreement ("DA") and a

Disposition and Development Agreement ("DDA") to define the Developer's obligations to develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan ("DAP") for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the "Santa Clara City Place EIR"); and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site in conjunction with the already-approved office, retail, commercial, hotel, residential, and park and open spaces uses allowed throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the "Proposed Project"); and

WHEREAS, the Developer has applied to amend the General Plan land use designation applicable to the Project Site to allow for a range of light industrial uses within the Urban Center/Entertainment District ("General Plan Amendment"); and

WHEREAS, the Developer has simultaneously applied for a Zoning amendment that proposes a text amendment to revise the permitted uses under the PD-MC Zoning designation to include a range of light industrial uses as permitted or conditionally permitted uses within that Zoning district and add a new "Scheme C" land use scenario to the MCP, as more particularly described in the attached MCP Scheme C Supplement (the "Zoning Amendment"); and

WHEREAS, the Developer has also requested to amend its existing Development Agreement ("DA") with the City to incorporate provisions related to the Proposed Project ("DA Amendment"), and City staff have negotiated and recommend the DA Amendment, which is attached hereto and incorporated by this reference; and

Ordinance/ Related Santa Clara Project - DA amendment Rev: 7/27/2023

WHEREAS, the DA Amendment would modify the DA to require: that 15% of housing units constructed in Phase 2 or Phase 3 must be affordable at 100% Area Median Income (AMI) (deeper than the 120% of AMI requirement in the current DA): light industrial uses must pay development impact fees and administrative fees at the levels as and when otherwise due (notwithstanding the vested rights conveyed by the original DA); and light industrial uses must pay a regional traffic fee at \$1 per square foot; and

WHEREAS, the Developer has also requested to amend its existing DDA with the City, as previously amended, to incorporate provisions related to the Proposed Project ("DDA Amendment"), and City staff have negotiated and recommended the DDA Amendment (the DDA Amendment, together with the General Plan Amendment, Zoning Amendment, and DA Amendment are the "Project Approvals"); and

WHEREAS, on May 6, 2025, the City Council held a Study Session focused on the Proposed Project, public feedback and the Project Approvals; and

WHEREAS, California Government Code Sections 65864 through 65869.5 ("Development Agreement Act") authorize cities to enter into binding development agreements with any person having legal or equitable interest in real property regarding the development of such property, and these agreements govern the development of the property; and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR ("Addendum") to be prepared in accordance with CEQA Guidelines Section 15164; and WHEREAS, on June 11, 2025, the Planning Commission held a duly noticed public hearing, opened and closed for public comments, and at the conclusion of which, the Planning Commission unanimously recommended approval of the DA Amendment; and

WHEREAS, prior to taking action on this Ordinance, the City Council has exercised its independent judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and concluded that, for the reasons set forth in the Addendum, no further environmental review is

required for the modifications to the Approved Project contemplated by the Proposed Project; and

WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing

for this item was published in the Santa Clara Weekly; and

WHEREAS, on June 18, 2025, a notice of public hearing for the July 8, 2025, City Council Hearing

for this item was mailed to property owners within a 1,000 foot radius of the Project Site boundaries;

and

WHEREAS, pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council

Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch

Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the

Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum

identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all

pertinent information in the record during which the City Council invited and considered any and all

verbal and written testimony and evidence offered in favor of and in opposition to the Proposed

Project.

NOW THEREFORE, BE IT ORDAINED BY THE CITY OF SANTA CLARA AS FOLLOWS:

**SECTION 1.** The City Council hereby finds and determines that the above Recitals are true and

correct and by this reference makes them a part hereof.

**SECTION 2.** Pursuant to Government Code Sections 65867 and 65867.5, the City Council hereby

finds that the provisions of the DA Amendment are consistent with the General Plan, for the reasons

set forth in the General Plan Amendment Resolution, which are incorporated by this reference.

SECTION 3. The City Council hereby finds and determines that the DA, together with the DA

Amendment (henceforth the "Amended DA"), complies with all requirements of 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) in that as set forth in Section 6.1 of the

Amended DA, the terms and conditions of the Amended DA, the Development Requirements and

any Subsequent Project Approvals (as those terms are defined in the Amended DA) control the

overall design, development and construction of the Project, which controls include the following:

a. The Amended DA specifies the duration of the agreement in section 1.4: 30 years,

subject to force majeure extensions;

b. The Amended DA specifies the permitted uses of the property in Recital "D": retail,

restaurants, entertainment, hotels, residential, offices, and light industrial uses;

c. The Amended DA specifies the residential density in the attachment: up to 1680

dwelling units on Parcels 4 and 5, which together comprise 94.6 acres, for a

maximum possible density of 17.75 dwelling units per acre;

d. The Amended DA specifies the intensity of use, in Recital D: Under Schemes A and

B, 9,160,000 square feet of development comprising 1,526,000 sf of

retail/restaurant/entertainment, 700 hotel rooms, 1680 residential units, and

5,724,400 sf of office;

e. The DA Amendment further specifies the intensity of use, in Recital B: Under

Scheme C, 4,517,400 sf of office, 800,000 sf of retail/restaurant/

entertainment, 1,600,000 sf of light industrial, 700 hotel rooms, and 1,680 dwelling

units and, as provided in the MCP, as amended, any amount of permitted office use

within the City Center Mixed-Use District (Parcels 4 and 5) under Scheme C may be

swapped out for an equivalent square footage of retail space, subject to approval

through the DAP process, or if a DAP has already been approved, then subject to

approval through the Architectural Review process;

f. The Amended DA specifies the maximum height of proposed buildings through

reference to the Development Requirements as set forth in the MCP as amended,

which establishes a maximum building height consistent with ALUC regulations and

Ordinance/ Related Santa Clara Project – DA amendment Rev: 7/27/2023

Federal Aviation hazard limits pursuant to FAA Federal Aviation Regulations, FAR

Part 77 criteria;

g. The Amended DA specifies the maximum size of proposed buildings by in the

attachment by identifying the property as having a land use designation of "Urban

Center/Entertainment District," which has a maximum Floor Area Ratio of either 1.0

or 2.0:

h. The Amended DA includes provisions for reservation or dedication of land for public

purposes in Recital "D": a community park in excess of 30 acres.

**SECTION 4.** The City Council hereby approves and adopts the DA Amendment, and hereby

authorizes and directs the City Manager to sign the DA Amendment in substantially in the form

attached hereto, subject to any such minor and clarifying changes consistent with the terms thereof

as may be approved by the City Manager in consultation with the City Attorney prior to the execution

thereof.

SECTION 5. The City Manager and/or his/her designee is hereby authorized and directed to

perform all acts to be performed by the City in the administration of the Development Agreement

pursuant to the terms of the Development Agreement as amended by this Ordinance, including but

not limited to conducting annual review of compliance as specified therein. The City Manager or

designee is further authorized and directed to perform all other acts, enter into all other agreements

and execute all other documents necessary or convenient to carry out the purposes of this

Ordinance and the Development Agreement, as amended by this Ordinance.

**SECTION 6.** Except as specifically set forth herein, this Ordinance suspends and supersedes all

conflicting resolutions, ordinances, plans, codes, laws and regulations.

**SECTION 7.** If any section, subsection, sentence, clause, phrase, or word of this Ordinance is for

any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason,

such decision shall not affect the validity of the remaining portions of the Ordinance. The City of

Santa Clara, California, hereby declares that it would have passed this Ordinance and each section,

subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more

section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

**SECTION 8.** This Ordinance shall not be codified in the Santa Clara City Code.

**SECTION 9.** This Ordinance shall take effect thirty (30) days after its final adoption contingent

upon the effectiveness of the General Plan Amendment and Zoning Amendment; however, prior to

its final adoption it shall be published in accordance with the requirements of Section 808 and 812 of

"The Charter of the City of Santa Clara, California."

PASSED FOR THE PURPOSE OF PUBLICATION THIS 8TH DAY OF JULY 2025, BY THE

**FOLLOWING VOTE:** 

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: \_\_\_\_\_

NORA PIMENTEL, MMC ASSISTANT CITY CLERK CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Development Agreement Amendment

Ordinance/ Related Santa Clara Project – DA amendment Rev: 7/27/2023

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A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA APPROVING AND ADOPTING A SECOND AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF SANTA CLARA AND RELATED SANTA CLARA, LLC, FOR RELATED SANTA CLARA PROJECT LOCATED AT 5155 STARS AND STRIPES DRIVE, SANTA CLARA

Addendum to the City Place Santa Clara Environmental Impact Report (SCH #2014072078) PLN24-00060 (General Plan Amendment, Rezoning, and Development Agreement Amendment)

WHEREAS, on January 31, 2024, Related Santa Clara, LLC ("Developer"), filed a development application to modify the approvals for a mixed-use development project for the approximately 240-acre City-owned site generally located north of Tasman Drive, east of Great America Parkway and San Tomas Aquino Creek, west of Guadalupe River, and south of State Route 237 (APNs: 104-03-043, 104-03-042, 104-03-041, 104-03-036, 104-01-102, 097-01-039, and 097-01-073), most of which was formerly occupied by a landfill, Santa Clara Golf & Tennis Club, Fire Station 10, and is now occupied by a Bicycle-Motocross (BMX) track, the Ameresco Methane Plant, the Eastside retention Basin, and vacant lots ("Project Site"); and

WHEREAS, on June 28, 2016, the City Council: certified the Santa Clara City Place
Environmental Impact Report ("EIR") [SCH #2014072078] and adopted a set of CEQA Findings,
a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program
("MMRP") in accordance with the requirements of the California Environmental Quality Act
("CEQA"); adopted a General Plan Amendment changing the Project Site's land use designation
to Urban Center/Entertainment District and making corresponding text and figure changes
throughout the General Plan; approved a rezoning of the Project Site to the Planned
Development - Master Community (PD-MC) Zoning designation governed by the accompanying
Master Community Plan ("MCP") for the Related Santa Clara project (the "Approved Project,"
previously known as "City Place"); and approved a Development Agreement ("DA") and a
Disposition and Development Agreement ("DDA") to define the Developer's obligations to

develop the Approved Project and define terms for ground leasing the Project Site to the Developer; and

WHEREAS, in 2020 and 2021, the City adopted First, Second, and Third Addenda to the 2016 Santa Clara City Place EIR in connection with its approval of the Development Area Plan ("DAP") for Phase 1, the DAP for Phase 2, and the City Place Revised Soil Import and Earthwork Plans Project, respectively (together, the First, Second, and Third Addenda to the 2016 EIR constitute the "Santa Clara City Place EIR"); and

WHEREAS, the Developer proposes to modify the Approved Project to allow a range of light industrial uses on Parcels 1 and 2 (APN 097-01-073 and 097-01-039) of the Project Site in conjunction with the already-approved office, retail, commercial, hotel, residential, and park and open spaces uses allowed throughout the Project Site without modifying the 9.16 million gross square feet of development or overall development intensities already allowed on the Project Site (the "Proposed Project"); and

**WHEREAS**, the Developer has applied to amend the General Plan land use designation applicable to the Project Site to allow for a range of light industrial uses within the Urban Center/Entertainment District ("General Plan Amendment"); and

WHEREAS, the Developer has simultaneously applied for a Zoning amendment that proposes a text amendment to revise the permitted uses under the PD-MC Zoning designation to include a range of light industrial uses as permitted or conditionally permitted uses within that Zoning district and add a new "Scheme C" land use scenario to the MCP, as more particularly described in the attached MCP Scheme C Supplement (the "Zoning Amendment"); and

**WHEREAS,** the Developer has also requested to amend its existing Development Agreement ("DA") with the City to incorporate provisions related to the Proposed Project ("DA Amendment"), and City staff have negotiated and recommend the DA Amendment; and

WHEREAS, the Developer has also requested to amend its existing Disposition and Development Agreement (as previously amended, the "DDA") with the City to incorporate

provisions related to the Proposed Project, and City staff have negotiated and recommended a draft DDA amendment, which is attached as an Exhibit to this Resolution and incorporated herein by this reference ("Second Amendment to the Disposition and Development Agreement" or the "DDA Amendment", and the DDA Amendment, together with the General Plan Amendment, Zoning Amendment, and DA Amendment are the "Project Approvals"); and WHEREAS, the DDA Amendment and the Project documents contemplated therein, including ground leases for the Project Site, will provide the City with fair market value for the Project Site, taking into account the development and market risk, extraordinary up-front costs, and reasonable private development return expectations; and

WHEREAS, prior to approval of the DDA, the City made findings that the transaction complied with Section 54220 et seq. of the California Government Code (the "Surplus Lands Act") as it existed at the time, and the City incorporates such findings herein by reference; and WHEREAS, on May 6, 2025, the City Council held a Study Session focused on the Proposed Project, public comments and the Project Approvals; and

WHEREAS, in order to ensure that all potential environmental impacts of the Proposed Project were thoroughly analyzed, the City caused a fourth Addendum to the Santa Clara City Place EIR ("Addendum") to be prepared in accordance with CEQA Guidelines Section 15164; and WHEREAS, prior to taking action on this Resolution, the City Council has exercised its independent judgement and reviewed and considered the Santa Clara City Place EIR and the Addendum and concluded that, for the reasons set forth in the Addendum, no further environmental review is required for the modifications to the Approved Project contemplated by the Proposed Project; and WHEREAS, on June 18, 2025, a notice of public hearing the July 8, 2025, City Council Hearing for this item was published in the Santa Clara Weekly; and

**WHEREAS,** on June 18, 2025, a notice of public hearing for the July 8, 2025, City Council Hearing for this item was mailed to property owners within a 1,000 foot radius of the Project Site boundaries; and

**WHEREAS,** pursuant to SCCC Section 18.146.020, on June 26, 2025, notice of the City Council Hearing on July 8, 2025, was posted at City Hall, the Central Park Library, the Mission Branch Library, the Northside Branch Library, and on the City's website; and

WHEREAS, on July 8, 2025, the City Council held a duly noticed public hearing to consider the Addendum to the Santa Clara City Place EIR, the MMRP included as Appendix A to the Addendum identifying applicable mitigation measures from the original MMRP, the Project Approvals, and all pertinent information in the record during which the City Council invited and considered any and all verbal and written testimony and evidence offered in favor of and in opposition to the Proposed Project.

#### NOW THEREFORE, BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

- 1. The City Council hereby finds that the above Recitals are true and correct and by this reference makes them a part hereof.
- 2. The City Council hereby approves the Second Amendment to the Disposition and Development Agreement, and hereby authorizes and directs the City Manager to sign the DDA Amendment (i) substantially in the form attached as an Exhibit hereto, or (ii) in the City Manager's discretion, in consultation with the City Attorney, in a form that consolidates the existing DDA (as previously amended) and the amendments set forth in the attached form of DDA Amendment into a single Amended and Restated Disposition and Development Agreement, and in either case subject to such minor and clarifying changes consistent with the terms thereof as may be approved by the City Manager in consultation with the City Attorney prior to execution thereof.
- 3. The Resolution, including the Second Amendment to the Disposition and Development Agreement approval described in Section 2 above, is based on the findings set forth above, the Addendum to the City Place Santa Clara EIR, the Addendum to the City Place Santa Clara EIR Resolution, the General Plan Amendment, the Development Agreement Amendment, and the Rezoning.

4. The City Manager is further authorized and directed to perform all other acts, enter into all

other agreements and execute all other documents necessary or convenient to carry out the

purposes of this Resolution and the Second Amendment to the Disposition and

Development Agreement.

5. If any section, subsection, sentence, clause, phrase, or word of this Resolution is for any

reason held by a court of competent jurisdiction to be unconstitutional or invalid for any

reason, such decision shall not affect the validity of the remaining portions of the Resolution.

The City of Santa Clara, California, hereby declares that it would have passed this

Resolution and each section, subsection, sentence, clause, phrase, and word thereof,

irrespective of the fact that any one or more section(s), subsection(s), sentence(s),

clause(s), phrase(s), or word(s) be declared invalid.

6. Effective date. This Resolution shall take effect at such time as Ordinance No. XXXX

approving the Development Agreement becomes effective, and if such Ordinance has not

become effective by December 31, 2025, this Resolution shall be deemed to be void and of

no further force or effect.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING THEREOF HELD ON THE 8TH DAY OF JULY 2025, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS: ABSENT: COUNCILORS: ABSTAINED: COUNCILORS:

ATTEST:	

NORA PIMENTEL, MMC ASSISTANT CITY CLERK CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Disposition and Development Agreement Second Amendment

# SECOND AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

# **City Place Santa Clara**

This Second Amendment to the Disposition and Development Agreement ("Second Amendment") is entered into as of, 2025 (the "Second Amendment Effective Date"), by and between the City of Santa Clara ("City"), a chartered municipal corporation, and Related Santa Clara, LLC ("Developer"), a Delaware limited liability company.
RECITALS
This Second Amendment is made with reference to the following facts, intentions and understandings of the Parties:
A. <u>Background</u> . The City and Developer entered into that certain Disposition and Development Agreement dated August 12, 2016 (as amended from time to time, the " <b>Agreement</b> ") for the development of City Place Santa Clara. Defined terms in this Second Amendment have the meanings ascribed to them in the original Agreement.
B. <u>Scheme C Variant</u> . At the request of Developer, the City adopted an amendment to the Master Community Plan in the form of a Master Community Plan Scheme C Supplement (City Council Resolution No. 25). The Master Community Plan Scheme C Supplement authorized a new Scheme C Variant that includes the same total development area as Scheme A and Scheme B having a total of approximately 9,164,400 square feet of mixed use, but would include (i) approximately 800,000 of retail; (ii) the same number of hotel rooms and residential units as Scheme A; (iii) approximately 4,517,400 square feet of office on Parcel 4; and (iv) approximately 1,600,000 square feet of light industrial uses on Parcels 1 and 2 (as described in the Master Community Plan Scheme C Supplement, the "Scheme C Variant").
C. <u>Environmental Review</u> . The City analyzed the potential environmental impacts of the proposed Scheme C Variant and adopted a Fourth Addendum to EIR (City Council Resolution No 25), in which it determined that the use of the Project Site under the Agreement, as amended for the Scheme C Variant, are included within the scope of the Project EIR in that the potential environmental impacts of the development and use of the Project Site for the Scheme C Variant under the DDA and the Master Community Plan are addressed in the Project EIR.
D. <u>Scheme C Variant Project Approvals</u> . Following the City's approval of the Fourth Addendum, the City took the following actions to implement the Scheme C Variant, all of which are deemed to be included within the definition of "Project Approvals" as set forth in the Agreement:
Amendments to the Santa Clara General Plan to include a Light Industrial land use for Parcels 1 and 2 and related minor text amendments (City Council Resolution No. 25);
Amendments to the PD-MC zoning as applicable to the Project Site and adoption of the Master Community Plan Scheme C Supplement (City Council Resolution No. 25);
Amendments to the Development Agreement (City Council Ordinance No. 25-

Approval of this Second Amendment by City Council Resolution No. \_\_\_\_\_\_, and authorizing the City Manager to incorporate the First Amendment to Disposition and Development Agreement and this Second Amendment into an Amended and Restated Disposition and Development Agreement. For purposes of this Second Amendment, revisions to the original Agreement are shown in blue for additions, red for deletions and green for moved or repositioned text.

### AGREEMENT

In consideration of the foregoing Recitals, which are hereby incorporated into this Second Amendment as if set forth in full, the Parties hereby agree as follows:

### **Disposition and Development Agreement Amendments**

Section 1.2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

Subdivision. Master Developer intends to submit to the City an application for the Tentative Map in accordance with CSCC Chapter 17.05 (Subdivisions), as may be amended from time to time, in order to create the Airspace Parcels and the Landfill Parcels. The Airspace Parcels as shown on the Tentative Map will consist of those Development Parcels that are congruent with the footprint of the City Landfill Parcels but located above the top of the fill layer of the landfill cap, as more particularly described in the Landfill Operation and Management Term Sheet attached hereto as Exhibit M (the "Landfill O&M Term Sheet"), but excluding any public streets. Within thirty (30) days after recordation of the First Final Map creating the Airspace Parcels, the Parties shall prepare an Exhibit B-2 that will be appended to this Agreement and become a part thereof that shall set forth the legal description of the Landfill Parcel and the Airspace Parcels. Each Phase of development will be conveyed to the Phase Developer by reference to a subsequent phased Final Map or a metes and bounds description that in either case is consistent with the corresponding Airspace Parcel as shown on the Tentative Map; provided, however, that if the Phase is conveyed by a metes and bounds description, the applicable Phase Developer will be required to record a phased Final Map covering the applicable Phase prior to issuance of the first building permit within the applicable Phase. Each Ground Lease requires the parties to process a boundary adjustment through a lot line adjustment or other legal process upon Completion of the applicable Infrastructure in order to finally determine the boundaries of the applicable Airspace Parcel that is subject to the Ground Lease. The Parties anticipate that each Final Map will identify the Building parcels that are anticipated to be divided into and operated as separate condominium projects. The timing for approvals and filings of Tentative Maps and Final Maps shall be governed by Section 9.5 hereof.

Section 1.5 of the Agreement is hereby amended and restated in its entirety to read as follows:

1.5 Master Developer's Role Generally. Master Developer shall be the master developer for the Project, coordinating the development of the Project in cooperation with City, Phase Developers and others as more fully provided herein. Either Master Developer or an assignee of Master Developer pursuant to a "Permitted Transfer," as described in Section 22.6.1(b) shall have the obligation to serve as the Phase Developer for Phase 1 and 2, as shown on the Phasing Plan attached hereto as Exhibit E. If the Scheme C Variant is selected as provided under Section 6.2.1(c), then either Master Developer or an assignee of Master Developer pursuant to a "Permitted Transfer" as described in Section 22.6.1(b) or a "Scheme C Consent Transfer" as described in Section 22.4.2(b) shall have the obligation to serve as the Phase Developer for any Phase within Parcels 1 and 2 that is Taken Down by Master Developer or its designated Phase Developer(s). Subject to its timely Take Down of Phases 1, 2 and 2A, Master Developer, on behalf of itself or an Affiliate, retains the exclusive option to Take Down Phases 3 through 7 as the Phase Developer thereof in accordance with the terms of this Agreement; provided, however, that the failure of Master Developer to Take Down any Phase other than Phases 1, 2 and 2A shall not affect its option to Take Down future Phases. For the avoidance of doubt, Master Developer, on behalf of itself or an Affiliate, shall not be required to exercise its Phase Option and Take Down all or any portion of Phase 2 or Phase 2A as a prerequisite to its ability to exercise its Phase Option and Take Down any Phase that includes a portion of Parcels 1 or 2 (each Phase Option exercise and Take Down of any Phase that includes Parcel 1 or Parcel 2 that occurs before Phase 2 or Phase 2A, an "Early Take Down"); provided, however, that except as provided in Section 1.7 and Section 3.2.3, an Early Take Down shall not affect the Schedule of Performance applicable to Phase 2 or Phase 2A, or the City's remedies for Master Developer's failure to Take Down Phase 1, Phase 2 or Phase 2A by the applicable Outside Dates therefor in the Schedule of Performance, subject to Excusable Delay, as provided in Section 21.2.1(b). In addition to Master Developer's other rights and obligations under this Agreement, Master Developer remains obligated to City for the payment of The procedures applicable to Master all Financial Obligations hereunder. Developer's exercise of an Early Take Down are as set forth in Section 3.2.3.

Section 1.7 of the Agreement is hereby amended to add the following sentence at the end of the paragraph.

The Schedule of Performance includes a Scheme C Overlay Schedule of Performance that applies to the Project unless Land Take Down for Phase 2 occurs before the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date, as more particularly described in Section 3.2.3.

Section 3.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.1 <u>Phasing Plan</u>. The development of the Project will take place over a total of up to eight (8) Phases, each of which is conceptually illustrated on the Phasing Plan attached hereto as Exhibit E. The Phasing Plan illustrates on a conceptual level the

size, and order of the Phases, given City's and Master Developer's best estimates of the conditions forecast for the expected development period; however, this Agreement anticipates that other than Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down), the subsequent Phases as shown on the Phasing Plan may be reconfigured, re-ordered and/or developed in partial Phases, subject to the provisions of <u>Article 4</u> hereof. Notwithstanding the foregoing, Master Developer's rights and obligations with respect to Phase 2A shall be as set forth in Section 4.8 below.

Section 3.2.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.2.2 <u>All Subsequent Phases</u>. Subject to the fulfillment of its obligations under <u>Section 3.2.1</u> above for Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 hereof with respect to an Early Take Down), Master Developer shall have the right, but not the obligation, to exercise Phase Options for, and to Take Down, Phases 3 through 7. The Take Down of the remainder of the Phases and subsequent development of each Phase may occur in any sequence or order Master Developer chooses, including concurrently, subject to compliance with the provisions of this Agreement.

The following new Section 3.2.3 of the Agreement is hereby added to the Agreement:

### 3.2.3 Early Take Down.

- (a) Early Take Down Generally. Notwithstanding anything to the contrary in this Agreement (including Section 3.2.1 or Section 3.2.2 hereof) and without limiting the City's remedies under Section 21.3 (Remedies) and Section 21.4 (Termination) for Master Developer's failure to Take Down Phase 1, Phase 2 or Phase 2A by the applicable Outside Dates therefor in the Schedule of Performance, Master Developer, on behalf of itself or an Affiliate, shall have the right to exercise an Early Take Down at any time before or after exercising its Phase Option and/or Taking Down all or any portion of Phase 2 or Phase 2A, and shall have the obligation to exercise an Early Take Down in accordance with the Scheme C SOP Overlay if Land Take Down for Phase 2 has not occurred by the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date (as further provided in Section 3.2.3(b)). For the avoidance of doubt and ease of administration, the exercise of an Early Take Down shall not result in the renumbering of Phase 1, Phase 2, Phase 2A or Phase 3 for purposes of this Agreement. For example, if Master Developer exercises its Phase Option for Parcel 1 prior to Take Down of Phase 2, Parcel 1 shall be considered "Phase 4".
- (b) <u>Scheme C Schedule of Performance</u>. <u>Exhibit F</u> (Schedule of Performance) also includes a Schedule of Performance Scheme C Overlay (the "Scheme C SOP Overlay") that sets forth Outside Dates for Phase Option Notice, DAP Submittal, Land Take Down and Commencement of Construction of

Infrastructure for each Phase within Parcels 1 and 2 under Scheme C. The Scheme C SOP Overlay will be triggered only if Land Take Down for Phase 2 has not occurred by the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date. Once triggered, the next applicable Outside Date will be the earlier to occur of (i) the Outside Date in the Schedule of Performance for the Phase 2 Phase Option Notice; or (ii) the Outside Date in the Scheme C SOP Overlay for the next Parcel 1 or 2 Phase Option Notice. If the Scheme C SOP Overlay Outside Date occurs first, then the same framework will apply to all future Phases going forward. If the Phase 2 Schedule of Performance Outside Date occurs first, then the original Schedule of Performance will govern all future Outside Dates. Schedule 3.2.3, attached to this Agreement, sets forth examples of the application of the Scheme C SOP Overlay.

The following new Section 4.1.1(f) of the Agreement is hereby added to the Agreement:

(f) If Multiple Ground Leases are contemplated as provided in Section 4.2.2, the proposed number of Multiple Ground Leases within the Phase, the general geographic boundaries of each and the allocation of Base Rent for each Ground Lease.

Section 4.1.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.1.2 Phasing Criteria. The parties acknowledge and agree that many factors, including, but not limited to, general economic conditions, the local housing market, capital markets, general market acceptability, the adequacy of municipal services, and local tax burdens, will determine the rate at which various product types within the Project can be developed and absorbed. Therefore, with the exception of Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down), the boundaries and order of development for each Phase shall be established by Master Developer in connection with its exercise of each Phase Option, so long as any change in Phase boundaries meets the following criteria (collectively, the "Phasing Criteria"): (i) all Phase boundaries depicted in the Phasing Plan remain consistent overall with the Phase boundaries for the EOS Variant (and, if selected, the Scheme C Variant), as shown in the MCP, provided, however, that with the exception of Phases 1, 2 and 2A, each designated Phase is not required to be consistent with the conceptual phasing descriptions set forth in Section 2.3 of the MCP (or Section 2C.3 of the Scheme C Supplement, if selected); (ii) any proposed changes to the Phasing Plan shall not change the dates set forth in the Schedule of Performance (unless extended as permitted hereunder for Excusable Delay); and (iii) no Phase shall be reconfigured such that more than twenty percent (20%) of its land area is reallocated to another Phase or Phases and further provided that Phase 2A shall not be reconfigured without the prior written consent of City, in its sole discretion.

Section 4.2 of the Agreement is hereby amended and restated in its entirety to (i) add a new Section heading, (ii) amend existing Section 4.2 and renumber it as Section 4.2.1, and (iii) add a new Section 4.2.2, all as follows:

## 4.2 <u>Partial Phases and Multiple Phase Ground Leases.</u>

- 4.2.1 <u>Partial Phases</u>. Upon Master Developer's election, Master Developer shall have the option to submit a Phase Option Notice in accordance with <u>Section 4.1</u> above for less than all of the land within the boundaries of a particular Phase (as applicable, a "Partial Phase"), except for Phase 2A, for which Master Developer shall not have a Partial Phase option and which shall governed by the provisions of <u>Section 4.8</u>, below.
- (a) <u>Partial Phase Criteria</u>. In addition to the requirement that the overall Phase meet the Phasing Criteria set forth in Section 4.1.2, above, any such proposed Partial Phase must meet the following criteria (the "Partial Phase Criteria"), except to the extent otherwise Approved by the City Manager:
- (i) The total acreage of such Partial Phase shall be no less than twenty (20) acres; and
- (ii) City shall have determined that any remaining portion of the Phase, as shown in the Phasing Plan proposed as part of the applicable Phase Option Notice, constitutes a developable area.
- (b) <u>Nomenclature</u>. The first Partial Phase within a Phase shall be referred to in the Phasing Plan and known as "[Phase Number]-A," the second Partial Phase shall be referred to in the Phasing Plan and known as "[Phase Number]-B," and so forth.
- (c) <u>Modifications to Allowed Square Footage Table</u>. If any Phase Option Notice is delivered to City for a Partial Phase after the date upon which City and Master Developer have conclusively determined the Allowed Square Footage Table pursuant to <u>Article 10</u>, below, then concurrently with the Phase Option Notice, Master Developer shall deliver to City a modified Allowed Square Footage Table in accordance with <u>Section 10.2</u>, below. City and Master Developer shall work together to finalize the modified Allowed Square Footage Table in accordance with the Approval procedure outlined in <u>Section 10.1</u>, below.
- (d) <u>Timing</u>. The failure to meet a Phase Outside Date (as such term is defined in <u>Article 7</u>, below) for any portion of a Phase shall be governed by Article 7, below; provided, however, that submittal of a Phase Option Notice for the first Partial Phase in Phases 4 through 7 shall adjust the Phase number and Phase Outside Date for all future Phases. By way of

example only, and not limitation, if Phase 6 were partially Taken Down prior to any portion of Phase 5 being taken down, then Phase 6 would become Phase 5 for the purposes of this Agreement, and the Phase Outside Dates formerly applicable to Phase 5 would apply to the Phase 6 boundaries instead; however, if Phase 5 were partially Taken Down and subsequently Phase 6 were partially Taken Down, then the Phase Outside Dates applicable to Phase 5 would apply to the property within the boundaries of Phase 5, and the Phase Outside Dates applicable to Phase 6 would apply to the property within the boundaries of Phase 6.

- (e) <u>Partial Phases for City Center Phases</u>. The City Center Phases may be Taken Down as Partial Phases subject to the foregoing Partial Phase Criteria, provided, however, that a Partial Phase Take Down any of such City Center Phases shall not adjust the Phase numbers or the Phase Outside Dates for those Phases and the Base Rent for a Partial Phase within such Phases shall be calculated in accordance with Section 6.3.3 hereof.
- (f) <u>Terminology</u>. For the purposes of this Agreement, any use of the term "Phase" shall be deemed to mean one or more Partial Phases, as the context requires.
- 4.2.2 <u>Multiple Ground Leases</u>. Whether or not Master Developer elects to Take Down Partial Phases in accordance with <u>Section 4.2.1</u>, Master Developer shall have the right to take down each Phase in multiple Ground Leases (as applicable to each Phase, the "Multiple Ground Leases"), subject to compliance with <u>Section 6.6</u>, except for Phase 2A, for which Master Developer shall not have a Multiple Ground Lease option and which shall be governed by the provisions of <u>Section 4.8</u>, below
- (a) <u>Multiple Ground Lease Criteria</u>. In addition to the requirement that the overall Phase meet the Phasing Criteria set forth in <u>Section 4.1.2</u>, above, each Multiple Ground Lease must meet the following criteria (the "**Multiple Ground Lease Criteria**"), except to the extent otherwise Approved by the City Manager.
- (i) Master Developer shall have a right to up to three Multiple Ground Leases within each Phase of Parcels 1 and 2 so long as the City shall have determined that the premises under each Multiple Ground Lease and any remaining portion of the applicable Phase constitutes a developable area. City approval in connection with the applicable DAP approval, or subsequently, by and through the City Manager, shall be required for any number of Ground Leases in excess of three Multiple Ground Leases within each Phase of Parcels 1 and 2, provided, however, that City shall not withhold its consent if Master Developer provides reasonably detailed evidence that such additional Multiple Ground Leases are reasonably required to facilitate leasehold financing or attract desirable tenants and the City shall

have determined that the premises under each Multiple Ground Lease and any remaining portion of the applicable Phase constitutes a developable area. The parcel that is the subject of each Multiple Ground Lease shall be a legal parcel for purposes of compliance with the Subdivision Map Act.

- Master Developer shall have a right to enter into Multiple Ground Leases for each Phase within Parcel 4 to be established in connection with each applicable Parcel 4 DAP. Master Developer shall identify the proposed number and boundaries of the Multiple Ground Leases in each Phase Option Notice, if known, and in each applicable DAP application. As part of its approval of the applicable DAP application, the City shall not withhold its consent to Multiple Ground Leases for each Phase on Parcel 4 if the request meets the following criteria: (i) Master Developer provides evidence from third-party experts reasonably satisfactory to the City that the requested Multiple Ground Leases in the size and location requested are the minimum reasonably required to facilitate leasehold financing and/or attract desirable tenants; (ii) the City shall have determined that the premises under each Multiple Ground Lease, and any remaining portion of the Phase, constitutes a developable area; and (iii) the total number of Multiple Ground Leases will not exceed ten (10) within Phase 2 or three (3) within each of Phase 3 and the Northwest Office Parcel. The parcel that is the subject of each Multiple Ground Lease shall be a legal parcel for purposes of compliance with the Subdivision Map Act. If additional Multiple Ground Leases are subsequently requested after City Council approval of the applicable DAP application, such additional Multiple Ground Leases may be approved by the City Manager, subject to the Multiple Ground Lease Criteria.
- (iii) The annual Base Rent applicable to the Phase to be Taken Down in Multiple Ground Leases shall be allocated amongst the Multiple Ground Leases in accordance with Section 6.8, or otherwise equitably allocated with the City's approval such that there shall be no decrease to the City of the applicable annual Base Rent applicable to the entirety of the Phase.
- (iv) Each Multiple Ground Lease must comply with the applicable requirements of Section 6.1.
- (b) Nomenclature. Each Multiple Ground Lease in a Phase shall be referred to in the updated Phasing Plan and known as "[Phase Number]-A," the second Multiple Ground Lease shall be referred to in the Phasing Plan and known as "[Phase Number]-B," and so forth; provided, however, that if the Multiple Ground Lease is within a Partial Phase, the first Multiple Ground Lease within the Partial Phase will be known as "[Phase Number] [Partial Phase Letter] -1"; the second Multiple Ground Lease shall be referred to in the Phasing Plan and known as "[Phase Number] –[Partial Phase Letter] -2" and so forth.

Section 4.3.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.3.1 Phase Option Notice Timing. In order to provide the City with adequate advance notice to discontinue the BMX Track located on Parcel 1 and deliver the applicable Phase free of all tenants in accordance with Section 13.2.1, for any Phase or Partial Phase on which the BMX Track is located and operational, Developer shall provide a Phase Option Notice at least twelve (12) months prior to the anticipated actual Take Down of such Phase or Partial Phase.

The first paragraph of Section 4.5 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.5 <u>Designation of Phase Developer</u>. Master Developer shall have the right, simultaneously with its submittal of a Phase Option Notice, to submit a proposal (the "Phase Developer Designation") to designate another Person as the Phase Developer for the Phase (or Partial Phase or for each Multiple Ground Lease) in question in accordance with the provisions set forth in <u>Article 22</u> hereof, and shall notify City whether the Phase Developer Designation is a Permitted Transfer or will require a Consent Transfer.

Section 4.5.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.5.1 If the Phase Developer Designation would require a Consent Transfer pursuant to Article 22 and if City disapproves of the proposed Phase Developer in accordance with the terms and provisions thereof, then, except to the extent that Master Developer elects to dispute such disapproval in accordance with the dispute resolution provisions of Article 20 hereof, Master Developer shall at its option, exercisable within ten (10) days after its receipt of City's disapproval, notify City in writing of Master Developer's election to: (i) become the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); (ii) designate another Person as the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); or (iii) elect to rescind its exercise of the Phase Option in question. If Master Developer does not elect an option in clause (i) or clause (ii) above within such ten (10) day period, Master Developer shall be deemed to have elected the option in clause (iii). If Master Developer elects the option in clause (ii) above, then such a designation shall again be a proposed assignment and processed in accordance with the terms of this Section 4.5. This process shall repeat itself until the earliest to occur of the following: (a) Master Developer elects to become the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); (b) City approves the proposed Assignment; and (c) Master Developer is deemed to have rescinded its exercise of the Phase Option in question.

Section 4.6 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.6 Effect of Failure of Master Developer to Exercise Phase Option. Except with respect to Phases 1, 2 and 2A (and subject to Section 3.2.3 with respect to an Early Take Down), if Master Developer fails to submit a Substantially Complete Phase Option Notice to City for any portion of a Phase by the applicable Outside Date (as it may be extended by Excusable Delay, if applicable), such failure shall not constitute a default hereunder by Master Developer but City may submit to Master Developer a Phase Termination Notice and terminate Master Developer's rights with respect to the applicable Phase (or portion thereof) in accordance with the terms of Article 7 hereof.

The first paragraph of Section 4.8 of the Agreement is hereby amended and restated in its entirety to read as follows:

4.8 Special Procedures for Phase 2A. Pursuant to City Council Resolution No. 16-8337, the City Council adopted the EOS Variant for the parcel shown on the Phasing Plan as Phase 2A ("Phase 2A"), which EOS Variant is reflected in the MCP. As a public benefit to the Project, the Parties have agreed to proceed with the EOS Variant in which Phase 2A will be reserved for park, recreation and open space uses that are complementary to, and do not unreasonably interfere with, the City Center Phases. In order to implement the EOS Variant in connection with the rest of the Project, Phase 2A shall be subject to the following provisions, notwithstanding anything to the contrary in this Agreement, including this Article 4:

Section 4.8.1(e) of the Agreement is hereby amended and restated in its entirety to read as follows:

Master Developer shall pay to the City up to Five Million Dollars (\$5,000,000) for the design and construction of the City Place Park, as described in the MCP (the "City Place Park"), of which Five Hundred Thousand Dollars (\$500,000) may be used by the City for planning and design work (including visioning and community outreach and engagement) for the initial concept design (the "City Place Park Design Contribution"), with the remaining amount to be used for construction of the Phase 2A park (the "City Place Park Construction Contribution"). City shall include its anticipated City Place Park planning and design costs in its Semi-Annual Budget and Master Developer shall advance funds for the City Place Park Design Contribution in accordance with the procedures for payment of City Costs set forth in Section 26 up to the maximum amount payable of Five Hundred Thousand Dollars (\$500,000). Master Developer shall pay to City the City Place Park Construction Contribution within thirty (30) days after request by City, but in no event earlier than the City's Commencement of the City Place Park improvements. City shall use the City Place Park Construction Contribution solely for Hard Costs for construction of the City Place Park and shall provide Master Developer with quarterly invoices showing its expenditure of the City Place Park Construction Contribution up to the maximum amount.

Section 5.1.3 of the Agreement is hereby amended and restated to replace "to the extent know" with "to the extent known".

Sections 5.3.1(b)(i) and 5.3.1(b)(ii) of the Agreement is hereby amended and restated in its entirety to read as follows:

## (b) <u>Final Station Site Improvements</u>.

- Promptly after the later to occur of (i) City acquisition of the City Council-approved relocation site for the Fire Station (the "Relocation Trigger Event"), and (ii) the date that the Schedule C Entitlements have become final, binding and non-appealable, Master Developer, at its sole cost and expense but in consultation with City staff, shall promptly prepare conceptual design drawings for the final station in the approved location (the "Final Station Site Improvements") along with an anticipated construction schedule. Conceptual design drawings for the Fire Station Site Improvements shall be at a level of detail reasonably acceptable to City staff for presentation to the City Council for approval. City Council approval of the Final Station Site Improvements shall be a condition to Commencement of Infrastructure within Phase 2 or any Parcel subject to a DAP approved under Scheme C, whichever occurs first; provided, however, if Developer is ready to Commence Infrastructure within Phase 2 or any Parcel subject to a DAP approved under Scheme C, as applicable, and the Relocation Trigger Event has not yet occurred, then Developer may Commence the applicable Infrastructure, and its obligation to prepare conceptual design drawings and a construction schedule for the Final Station Site Improvements shall be deferred until such time as the Relocation Trigger Event has occurred.
- (ii) Subject to the terms of Section 5.3.1(b)(iii), below, Master Developer shall Complete the Final Station Site Improvements no later than the earlier to occur of (1) issuance of the first Certificate of Occupancy for any Building within Phase 2; or (2) issuance of Certificates of Occupancy for the first 1,000,000 square feet of development of Parcels 1 and 2 combined.

The following new Section 5.3.8 of the Agreement is hereby added to the Agreement:

## 5.3.8 Pedestrian/Bicycle Connection.

(a) Feasibility Study. Exhibit 3C-12 of the Scheme C Variant identifies a potential location for a pedestrian/bicycle connection between Parcels 2 and Parcel 4, subject to confirmation through a Developer-funded study as provided in the Disposition and Development Agreement. In furtherance thereof, in connection with the submittal of a DAP for Parcel 2 or Parcel 4, whichever is earlier, Developer shall cause to be prepared, at Developer's sole cost and expense, a feasibility study that will identify, comparatively evaluate and develop schematic designs for two potential locations for a pedestrian and bicycle bridge that could connect Parcel 2 to the East Park on Parcel 4 (the "Ped/Bike Connection"). The Ped/Bike Connection shall

include a pedestrian and bicycle path within Parcel 2 that conveniently serves to connect residents of the Tasman East development located south of Parcel 2 to the eastern end of the proposed Ped/Bike Connection bridge. As part of the study, Developer shall confer with applicable agencies having jurisdiction to ensure that then-available design criteria are considered in the feasibility study, but the feasibility study shall not require approval of such agencies. The feasibility study shall use existing survey and mapping information to develop the two options of schematic plans and sections that will include the following elements:

a description of existing conditions; space planning and land use; preliminary grading plans; ADA access requirements;

a summary of all construction codes applicable to the proposed design; and basic structural, civil and lighting requirements.

The feasibility study shall also, at a concept level, address and evaluate the following for each of the two options:

physical constraints,

future environmental clearances and regulatory approvals that would foreseeably be required, and

effectiveness of each option to meet the goal of pedestrian and bicycle connectivity between Tasman East and Parcel 4, all at a level of detail reasonably designed for the City to evaluate the feasibility of the Ped/Bike Connection, including the environmental and permitting processes and challenges, and obtain preliminary cost estimates.

Land Reservation. Each applicable DAP for Parcel 2 and Parcel 4 will include a reservation of land reasonably sufficient to accommodate the locations for the Ped/Bike Connection identified in the feasibility study, including land within the western edge of Parcel 2, the area reserved for the East Park on Parcel 4, and connecting the Ped/Bike Connection to the Tasman East development. The feasibility study and land reservation through the grant of a public land and aerial easements for construction, operation, and maintenance shall constitute the full extent of Developer's obligations with respect to the Ped/Bike Connection.

### City Election; Termination of Land Reservation.

(i) No later than eighteen (18) months after any Land Take Down that includes the proposed locations for the Ped/Bike Connection, the City shall notify Developer in writing as to whether it chooses to pursue the design, permitting and construction of the Ped/Bike Connection, and if so, in which of the two potential locations. If City decides to proceed, the City shall bear all costs and expenses associated with the Ped/Bike Connection. Developer's obligation to reserve the

applicable land shall terminate and Developer may use the applicable portion of land for any use consistent with the Project Approvals in any of the following cases:

- (A) City notifies Developer of its intent not to pursue the Ped/Bike Connection;
- (B) if City elects to pursue the Ped/Bike Connection in one of the two potential locations, the land reservation for the location not chosen shall terminate upon such election;
- (C) City fails to notify Developer of its intent to pursue or not pursue the Ped/Bike Connection within eighteen (18) months after any Land Take Down that includes the proposed locations for the Ped/Bike Connection; or
- (D) City elects to pursue the Ped/Bike Connection but fails to commence construction within three (3) years after such election, subject to Force Majeure; provided that such period of time may be extended for a period of time reasonably approved by Developer if the City has obtained all necessary entitlements and applicable permits have been issued within such three (3) year time period.

Section 6.1.9(d) of the Agreement is hereby amended and restated in its entirety to read as follows:

(d) To the extent that Take Down of any of Phases 3 through 7 has not occurred within ten (10) years after the first to occur of either (i) execution and delivery of a Ground Lease for Phase 2, or (ii) execution and delivery of the first Ground Lease for Parcel 1 or Parcel 2 under Scheme C, then the initial annual Base Rent for each such Phase shall increase at the rate of three percent (3%) per annum from the end of such period until the date that the Phase Option is exercised with respect to such Phase.

The following new Section 6.1.9(e) of the Agreement is hereby added to the Agreement:

(e) Except as may otherwise be adjusted under Section 6.1.9(a) above, the amount of initial Base Rent for a Ground Lease for Parcels 1 and 2 shall remain the same under for any Ground Lease entered into pursuant to an approved DAP for any of Scheme A, Scheme B or Scheme C with the following exception: each Ground Lease for Parcel 1 or Parcel 2 under Scheme C shall include an escalator clause substantially in the form attached hereto as *Schedule 6.1.9(e)* that will increase Base Rent if a Data Center is constructed on the applicable premises.

Section 6.2.1(c) of the Agreement is hereby amended and restated in its entirety to read as follows:

(c) Prior to the earlier to occur of (1) execution of the first Ground Lease for all or any portion of Parcels 1 or 2 for which the City has approved a DAP that relies on the Scheme C Variant densities and land uses; or (2) execution of a Ground Lease for all or any portion of Parcel 4 for which the City has approved a DAP that relies on the Scheme C Variant densities or land uses and would cause total development within Parcel 4 to exceed the maximum density (including Development Transfers allowed therein) permitted under Scheme A or Scheme B. Master Developer shall submit to the City a written election to proceed under the Scheme C Variant of the MCP and its agreement that all future DAPs will be reviewed for consistency with the Scheme C Variant.

Section 6.2.2(c) of the Agreement is hereby deleted in its entirety.

Section 6.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

Memorandum of Ground Lease and Revised Phasing Plan. Upon the execution and delivery by City and the Phase Developer of any Ground Lease within a Phase, City shall execute and deliver (i) a Memorandum of Ground Lease in recordable form in substantially the form attached to the Ground Lease, and (ii) a revised Phasing Plan which shall set forth the updated Phasing Plan that reflects the boundaries of the Phase then being Taken Down, including Multiple Ground Lease boundaries within such Phase reflecting the nomenclature described in Section 4.2.2(b). Within five (5) Business Days after execution of each Ground Lease, Master Developer shall record the Memorandum of Ground Lease in the Official Records and shall deliver to City original copies of the fully-executed Ground Lease and Memorandum of Ground Lease. The revised Phasing Plan shall be subject to Section 29.29 hereof (Plans on Record with City).

Section 6.5 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.5 Effect of Failure of Master Developer to Take Down a Phase. Except with respect to Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down), if Master Developer fails to Take Down any portion of a Phase by the applicable Outside Date (as it may be extended by Excusable Delay, if applicable), such failure shall not constitute a default hereunder by Master Developer but City may submit to Master Developer a Phase Termination Notice and terminate Master Developer's rights with respect to the applicable Phase (or portion thereof) in accordance with the terms of Article 7 hereof.

Section 6.6 of the Agreement is hereby amended and restated in its entirety to read as follows:

6.6 <u>Multiple Ground Leases within a Phase.</u>

- 6.6.1 <u>Multiple Ground Leases Permitted</u>; <u>Phase Outside Dates Not Affected</u>. Master Developer shall have the option to Take Down each Phase in Multiple Ground Leases so long as the conditions set forth in <u>Section 4.2.2</u> and <u>Section 6.2</u> are met or waived by the applicable Party. Take Down of any of Phase by Multiple Ground Leases shall not adjust the Phase numbers or the Phase Outside Dates for the applicable Phase.
- 6.6.2 Initial Base Rent for Multiple Ground Leases. Notwithstanding the provisions of Sections 6.1.9(a) and 6.1.9(b), above, if Master Developer Takes Down a Phase with Multiple Ground Leases, as provided in Section 4.2.2 above, the initial annual Base Rent for each Multiple Ground Lease shall be determined by multiplying the Base Rent for the applicable Phase as set forth in Section 6.1.8 (as increased, if applicable, pursuant to Section 6.1.9(d) hereof) by a fraction, the numerator of which is the gross square feet of the land area of the premises subject to the applicable Multiple Ground Lease and the denominator of which shall be the gross square feet of the land area of the Phase, as shown in the Phasing Plan for the Project as of the Reference Date. Notwithstanding the foregoing, if requested by Master Developer and subject to City approval, the Initial Base Rent may be equitably allocated amongst all Multiple Ground Leases in the applicable Phase in a different proportion so long as there shall be no decrease to the City of the annual Base Rent applicable to the entirety of the Phase.

The first two sentences of Section 7.1 of the Agreement are hereby amended and restated in its entirety to read as follows:

Notice of Intent to Terminate. The Schedule of Performance attached as Exhibit F hereto (which includes the Scheme C SOP Overlay) sets forth the Outside Dates for certain events over the life of the Project, including: (i) submission of Phase Option Notices for each Phase; (ii) submission of a Substantially Complete DAP for each Phase; and (iii) Taking Down each Phase (these three Outside Dates together shall be referred to herein as the "Phase Outside Dates"). Except with respect to Phases 1, 2 and 2A, if Developer fails to meet any Phase Outside Date (as it may be extended by Excusable Delay, if applicable) for all or any portion of a Phase (including any Phase within Parcels 1 and 2 that becomes subject to the Scheme C SOP Overlay), such failure shall not constitute a default hereunder by Developer, but City may notify Developer that City intends to terminate Developer's rights with respect to the portion of the applicable Phase for which Developer has not met the Outside Date in question, based on the Phase boundaries depicted in the Phasing Plan then in effect (the "Phase Termination Notice").

The following new Section 7.3 of the Agreement is hereby added to the Agreement:

7.3 <u>Special Provisions for Parcels 1 and 2</u>. The provisions of Section 7.1 and Section 7.2 apply equally to a failure to meet the Outside Dates in the Scheme C SOP Overlay, except as follows: If (i) the City sends Developer a Phase Termination Notice for

any of the three Phases within Parcels 1 or 2 due to failure to meet the applicable Outside Dates in the Scheme C SOP Overlay, and (ii) Developer does not choose to remedy the Phase Termination Notice as provided in Section 7.1, Developer may, instead, send the City a written notice within forty-five (45) days of the City's Phase Termination Notice in which Developer agrees to forfeit one of the Scheme C Phases within Parcels 1 and 2, such that the selected Phase will become subject to termination and the Development Opportunity under Section 7.1 and Section 7.2. Developer, at its election, may select the Phase to be forfeited provided, however, that the Parcel 2 Phase identified on the Phasing Plan as Phase 7 (i.e., the southeastern portion of Parcel 2) may only be selected if the Parcel 1 Phase (identified on the Phasing Plan as Phase 5) and the southwestern Parcel 2 Phase (identified on the Phasing Plan as Parcel 6) have not previously been Taken Down or forfeited. If Developer fails to either cure the Phase Termination Notice or make its forfeiture election within such forty-five (45) day period, the City, in its sole discretion, may select the applicable forfeiture Phase that will be subject to termination and the Development Opportunity pursuant to Section 7.1 and Section 7.2.

Section 9.1.1 of the Agreement is hereby amended and restated to replace "(subject to Excusable Delay), as relevant" with "(subject to Excusable Delay, as relevant)".

Section 9.1.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

9.1.4 Construction Covenants under CC&Rs and Certain Ground Leases. Without limiting Section 9.1.3, the Master CC&Rs will include a covenant requiring the construction of all buildings to be prosecuted diligently and continuously, and further requiring the owner of any work of construction that is left in an unfinished state for more than one hundred and twenty (120) consecutive days or a total of one hundred and eighty (180) days to take reasonable measures to protect public health and safety, protect the building structure from the elements and screen unsightly elements from view (such as fencing, painting or attractive screens or coverings) (the "Construction Covenant"). The City shall be a named third party beneficiary of the Construction Covenant. The Master CC&Rs shall provide the master association thereunder with a right of entry to enforce the Construction Covenant and a right to impose special assessments to recover any costs expended in connection with the enforcement thereof. If, at the time of execution of a Ground Lease, the Master CC&Rs have not yet been recorded against the applicable Ground Lease parcel, the applicable Ground Lease will include a Construction Covenant consistent with this Section 9.1.4 covering the period from the Commencement Date of the Ground Lease through recordation of the Master CC&Rs against the applicable Ground Lease premises that includes the Construction Covenant.

The following new Sections 9.4 and 9.5 of the Agreement are hereby added to the Agreement, and the numbering in the remainder of Article 9 is hereby adjusted accordingly:

9.4 <u>Form of CC&Rs; Timing</u>. City and Developer shall agree on the form of Master Conditions, Covenants and Restrictions (as more particularly defined in

Exhibit H attached hereto, the "Master CC&Rs") and record the same prior to the issuance of a Certificate of Occupancy for the first Building constructed within the Project. Each Phase shall be annexed into the first recorded set of Master CC&Rs (and Area Specific CC&Rs, if applicable), no later than the issuance of the Certificate of Occupancy for the first Building constructed within the applicable Phase.

9.5 <u>Subdivision Maps</u>. A Tentative Map or Vesting Tentative Map covering all of the property within a particular Phase shall be approved by Council before Take Down of all or any portion of the applicable Phase. A Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation for the applicable Phase prior to the issuance of any certificate of occupancy for any building located within the Phase.

The words "conditions set forth in <u>Section 9.3</u>" contained in the first sentence of each of Sections 9.6 and 9.7 of the Agreement (as such section numbers have been amended pursuant to the foregoing paragraph) are hereby amended and restated in their entirety and replaced with "conditions set forth in <u>Section 9.3</u> and <u>9.4</u>".

Section 14.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

### 14.2 Apportionment of Costs.

### 14.2.1 City Landfill Costs; Excluded Landfill Costs; Shared Landfill Costs.

- (a) <u>City Landfill Costs Defined</u>. For purposes of this Agreement, the term "City Landfill Costs" includes all costs incurred by the City related to its operation and maintenance of the landfill on the Project site, but expressly excluding all of the following costs, unless, and only to the extent that, such costs are incurred as a direct result of Master Developer's construction activities or Project operations:
- (i) Costs related to activities conducted on the City Landfill Parcels by thirdparties (e.g., 49ers parking; the BMX facilities/activities), or by other City departments or City agencies unrelated to the ongoing operation and maintenance of the landfill (e.g., City employee parking or City-sponsored special events);
- (ii) Costs of repair or damage caused by the sole negligence or misconduct by the City or any of its employees, contractors, agents, invitees or licensees;
- (iii) Costs related to remedial responses (including any related fines, penalties or other administrative costs) or other actions undertaken by the City due to the existence, release, migration, leakage and/or escape, transport, generation, remediation and/or mitigation of any Hazardous Materials located on, at or under the City Landfill Parcels as of the Effective Date, or that later migrate or come to be located on, at or under the City Landfill Parcels after the Effective Date, except to the extent that such remedial response was required as a result of Master Developer's Environmental Activity;

- (iv) Costs incurred for activities on any property located outside of the City Landfill Parcels; and
- (v) Costs incurred in connection with the use and operation of the City Utility Facility parcel designated in the MCP, including the retention basin and storm drain pump station, sewer pump station, and various other public facilities located thereon.
- (b) Shared Landfill Costs. In addition, the Parties hereby agree that City Landfill Costs will include only fifty percent (50%) of costs incurred by the City for landfill operation and maintenance activities on or related to any of the City Landfill Parcels that Master Developer has either not yet Taken Down nor conducted physical construction activities of any kind thereon (but expressly excluding any costs related to items 14.1(a) (i) through (v) above) (such costs, the "Shared Landfill Costs"). As of the Second Amendment Effective Date, the City Landfill Parcels that Master Developer has either not yet Taken Down nor conducted physical construction activities of any kind thereon consist of Parcels 1 and 2.
- (c) Excluded Landfill Costs Defined. For purposes of this Section 14.2, the defined term "Excluded Landfill Costs" shall mean, collectively, (i) the items described in subsections 14.2.1(a)(i) through (v) (except to the extent that, such costs are incurred as a direct result of Master Developer's construction activities or Project operations), and (ii) the other 50% of Shared Landfill Costs not assumed by Master Developer under Section 14.2.1(b). City shall be solely responsible for all Excluded Landfill Costs without right of reimbursement.

### 14.2.2 Establishment of Initial and Adjusted Baseline.

- (a) <u>Initial Baseline</u>. The Parties have agreed that as of the Effective Date (i.e., August 12, 2016), the City's baseline for City Landfill Costs is deemed to be Four Hundred Fifty Thousand Dollars (\$450,000) per year (the "**Initial Baseline**"). The Initial Baseline will be increased by a CPI Adjustment on each anniversary of the Effective Date, with the last adjustment to occur as of August 12, 2023.
- (b) <u>Adjusted Baseline</u>. The Parties have agreed that the City's baseline for City Landfill Costs as of August 13, 2024 is deemed to be \$650,000 (the "**Adjusted Baseline**"). The Adjusted Baseline will be increased by a CPI Adjustment on July 1, 2025 and each July 1 thereafter during the Term.
- 14.2.3 Apportionment of City Landfill Costs from and after July 1, 2024. This Section 14.2.3 applies only to City Landfill Costs incurred from and after July 1, 2024.
- (a) <u>Budget Meet and Confer; City Contracting.</u>
- (i) <u>Draft Budget; Meet and Confer</u>. Commencing with City fiscal year 2026/27, City shall provide to Master Developer its draft annual budget for City Landfill Costs for the upcoming City fiscal year promptly upon availability but in no event later than

- sixty (60) days before July 1.), along with reasonably detailed supporting documentation that sets forth a general description of the scope of the City Landfill Costs anticipated for the upcoming budget year. Master Developer shall have an opportunity to review and comment on the draft budget and supporting documentation. Upon Master Developer's request, City will make good faith efforts to meet and confer with Master Developer prior to July 1 and shall reasonably consider suggestions or proposals for cost and scope efficiencies that might reasonably be expected to reduce City Landfill Costs for the applicable budget year. Notwithstanding the foregoing, for fiscal year 2025/26, City shall provide Master Developer with the relevant budget and supporting information for fiscal years 2025/26 on or around the Effective Date hereof and the meet and confer process shall occur within thirty (30) days after the Second Amendment Effective Date. Notwithstanding the foregoing, the Parties acknowledge that the proposed budget is subject to review and approval by the City in its sole and absolute discretion. City shall use reasonable good faith efforts to keep Master Developer apprised during the course of each fiscal year as to budget overruns.
- (ii) <u>Contract Tracking</u>. With respect to any third-party contracts for City Landfill Costs, City will direct each such contractor to track its scope of work and costs in a manner reasonably designed to readily identify City Landfill Costs that are included in the Annual Landfill Statement (as defined in Section 14.2.3(b)) and those that are Excluded Landfill Costs, including identifying, to the extent appropriate and feasible, the geographic location of work undertaken by the applicable contractors. In addition, City will instruct relevant City staff working on the maintenance and operation of the landfill on the City Landfill Parcels to record time in a manner that can readily identify Excluded Landfill Costs.
- Invoice and Payment. Within ninety (90) days after the end of each City fiscal year during the Term, starting with the fiscal year 2024/25, City shall provide Master Developer with a written report (the "Annual Landfill Statement") that contains, at a minimum, the following information: (i) the amount of City Landfill Costs incurred by City for the previous fiscal year (including "open book" backup of such costs, including copies of invoices); (ii) if a particular City Landfill Cost might pertain to both City Landfill Costs and Excluded Costs, an equitable allocation of such costs between City Landfill Costs and Excluded Landfill Costs; (iii) a report or certification by a qualified engineer to confirm the costs properly reflect the City Landfill Costs calculated in accordance with this Section 14.2; and (iv) the amount by which the City Landfill Costs for the applicable fiscal year exceeded the Adjusted Baseline for the applicable fiscal year, subject to the maximum cap as set forth in Section 14.2.3(c) below (the "Developer Annual Landfill Payment"). Within sixty (60) days following its receipt of the Annual Landfill Statement, Master Developer shall (a) pay the City the amount of the Developer Annual Landfill Payment that is uncontested, plus (b) to the extent that Developer contests any amounts of the Developer's Annual Landfill Payment or the appropriateness of any City Landfill Costs contained therein (e.g., whether any of such City Landfill Costs should be excluded as an Excluded Landfill Cost), a written response to the Annual Landfill

Statement, including a reasonably detailed analysis of the reasons for contest. City and Master Developer shall, for sixty (60) days after Master Developer's submittal of such written response, attempt to resolve their differences concerning any contested amounts of the Developer Annual Landfill Payment; if they are unable to do so, either of them may submit the matter to arbitration as provided in <u>Article 20</u>.

- (c) Each year, Master Developer's obligation to reimburse City for that year's Developer Annual Landfill Costs pursuant to this Section 14.2 shall be limited to the lesser of (i) the Developer Annual Landfill Payment and (ii) an amount originally equal to (x) One Million Three Hundred Fifty Thousand Dollars (\$1,350,000), increased by a CPI Adjustment on July 1 of each year, starting on July 1, 2025 (as adjusted from time to time, the "Adjusted Landfill Term Cap"). Master Developer may assign this obligation without prior consent of City to the Master Owners' Association established for the Project Site, which obligation may be documented in the Master CC&Rs or other appropriate instrument recorded against the Airspace Parcels. The provisions of this Section 14.2 shall survive any expiration or termination of this Agreement with respect to Master Developer and all Phase Developers.
- 14.2.4 <u>Apportionment of City Landfill Costs before July 1, 2024</u>. This <u>Section 14.2.4</u> applies only to City Landfill Costs incurred between the Effective Date and June 30, 2024.
- Meet and Confer; Final Payment Amounts. Promptly upon the Second Amendment Effective Date, City and Master Developer shall meet and confer to review and agree on the amount of City Landfill Costs incurred by the City during the period between the Effective Date and June 20, 2024 (the "Initial Landfill Term"), taking into account exclusions attributable to the Excluded Landfill Costs for such period. Within ninety (90) days after the Second Amendment Effective Date (as such date may be extended by the reasonable agreement of the Parties), the Parties shall agree on the following: (i) the total amount of City Landfill Costs incurred by City during the Initial Landfill Term; (ii) the Initial Baseline for each year of the Initial Landfill Term as adjusted on each Anniversary Date of the Effective Date; (iii) the amount by which City Landfill Costs for each year of the Initial Landfill Term exceeded the Initial Baseline, as adjusted for the applicable year, up to a maximum annual cap of One Million Dollars (\$1,000,000) as of the Effective Date, increased by a CPI Adjustment on each Anniversary Date of the Effective Date thereafter through August 12, 2023 (the "Initial Landfill Term Cap"); and (iv) the total amount due from Master Developer for the Initial Landfill Term, payable pursuant to Section 14.2.4(b) below. If the Parties are unable to agree on any of the foregoing matters within such 90-day period, either Party may submit the matter to arbitration as provided in Article 20.
- (b) <u>Master Developer Payment</u>. Master Developer shall reimburse the City for seventy-five percent (75%) of the amount by which City Landfill Costs incurred during each year or partial year of the Initial Landfill Term exceeded the Initial

Baseline (as adjusted in accordance with Section 14.1.2(a)) for each applicable year or partial year), up to the applicable Initial Landfill Term Cap in effect for each applicable year or partial year (the "Initial Landfill Term Payment"). The Initial Landfill Term Payment shall be due on the later to occur of (i) thirty (30) days after the Parties agree on the amount of the Initial Landfill Term Payment under Section 14.1.4(a) (including resolution of all disputes to the extent submitted to arbitration under Article 20); and (ii) thirty (30) days after the Scheme C Entitlements become final, binding and unappealable. For avoidance of doubt, the Initial Baseline and the Initial Landfill Term Cap, as both adjusted in accordance herewith, shall remain in effect through June 30, 2024, after which time, the Adjusted Baseline and the Adjusted Landfill Term Cap shall go into effect. The last Initial Landfill Term Payment shall be for the period of August 12, 2023 through June 30, 2024.

The third sentence of Section 15.2.2(a) of the Agreement is hereby amended and restated in its entirety to read as follows:

The procedures for establishment of the Master Developer share of costs for Public Streets (which procedures may be adjusted in subsequent DAP applications by mutual agreement) shall be established prior to final approval of the Master CC&Rs pursuant to Section 9.4 and the ongoing funding obligation shall be reflected in the Master CC&Rs.

The final sentence of Section 15.2.2(b) of the Agreement is hereby amended and restated in its entirety to read as follows:

The procedures for establishment of the Developer's costs and the Party responsible for the Park Maintenance (which procedures may be adjusted in subsequent DAP applications by mutual agreement) shall be established prior to final approval of the Master CC&Rs pursuant to Section 9.4 and the ongoing funding obligation shall be reflected in the Master CC&Rs.

Section 15.2.2(c)(ii) of the Agreement is hereby amended and restated in its entirety to read as follows:

(ii) <u>Fire</u>. City will provide appropriate fire protection services and equipment to the Project at its sole cost and expense, except as otherwise provided in this subsection (ii). At any time (at Master Developer's election) after approval of the PCLUP for the Project but in no event later than in connection with the DAP application for Phase 2, City will commission at Master Developer's expense an independent study by a third party expert jointly selected by City and Master Developer (the "Fire Protection Assessment Study") that will provide an assessment and recommendations for the level of fire protection services (equipment, FTEs and equipment replacement costs and timing) to address hazardous materials issues on the Landfill Parcel (collectively, "Fire Protection Services Obligations"). The study will also include recommendations for the timing of such equipment and FTEs in relation to the development of the Project. No later than the first DAP

application to be submitted for Scheme C on either Parcel 1 or Parcel 2, as applicable, the City, in consultation with Master Developer and at Master Developer's expense, will cause the selected third-party expert to update the Fire Protection Assessment Study. Developer shall be obligated to pay the costs for Fire Protection Services Obligations at the level and in accordance with the timing set forth in the Fire Protection Assessment Study up to a maximum of 4.5 fire protection FTEs annually, one piece of equipment if recommended by the study and replacement costs for such equipment at such times as indicated by the study.

The following new Section 22.4.2(b) of the Agreement is hereby added to the Agreement, and the numbering in the remainder of Section 22.4.2 is hereby adjusted accordingly:

- (b) Unless this <u>Section 22.4.2(a)</u> is waived by the City Council in its sole discretion, if the Scheme C Variant is selected in accordance with Section 6.2.1(c), Master Developer shall not undertake a Consent Transfer for any Phase within Parcels 1 and 2 until the Infrastructure in the applicable Phase is Substantially Complete, unless all of the following conditions are satisfied (which conditions shall be in addition to, and not in lieu of, all other conditions applicable to a Consent Transfer) (a Consent Transfer meeting these requirements, a "Scheme C Consent Transfer"):
- (i) Master Developer has provided evidence reasonably satisfactory to the City that Master Developer will continue to maintain an active and continuing ownership or management role in the development of the applicable Phase;
- (ii) In evaluating the qualifications of the Transferee Team and the satisfaction of the Experience Requirement, the City is reasonably satisfied that the proposed Phase Developer has the requisite experience in the ownership, operation, management and development of light industrial uses at a scale and quality as necessary to fully comply with the applicable standards and guidelines of the MCP; and
- (iii) The Consent Transfer will not result in a release of Master Developer under Section 22.7 with respect to the obligations hereunder with respect to the Transferred Phase.

The first sentence of Section 22.5.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

22.5.2 <u>City's Consent; Standards</u>. The withholding or conditioning of City's consent to any proposed Consent Transfer shall be reasonable and shall be based solely on one or more of the following criteria (and, with respect to a Scheme C Consent Transfer, the additional conditions specified in Section 22.4.2(b)):

Section 24.1.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

24.1.1 "Force Majeure" means any delay suffered by a Party in performing an obligation, exercising a right or meeting a deadline under any of the Project Documents to the extent such delay is caused by any of the following: war; acts of terrorism; insurrection; strikes or lock-outs not caused by, or outside the reasonable control of, the Party claiming an extension; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation not caused by, or outside the reasonable control of, the Party claiming an extension; governmental restrictions or priority; environmental conditions existing or discovered on or affecting the Project Site or any portion thereof, including those resulting from the investigation or remediation of such conditions; litigation that enjoins construction or other work on the Project Site or any portion thereof, causes a lender to refuse to fund a loan or to accelerate payment on a loan, or would cause a reasonably prudent developer either to forbear from commencing construction or other work on the Project Site or any Phase or portion thereof or to suspend construction or other work; market-wide disruptions in (i) the public financing markets that delay or materially increase the cost of public financing for the Project to the extent such public financing was reasonably anticipated by Master Developer in a Financing Plan submitted under Section 5.1.2 in connection with its construction of public improvements, or (ii) in the private financing markets due to market-wide financial crises (such as the 2008 Global Financial Crises; the S&L Crisis of the 1980s; or fallout from the COVID-19 pandemic) that materially limit or delay the availability of private financing (items (i) and (ii) collectively, "Market-Wide Disruptions"); unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; moratorium, as defined in California Government Code Section 66452.6(f); litigation, ballot measures or referenda challenging City's or another regulatory body's approval of the Project (or any part thereof) or any of the Project Documents; the inability to obtain on a timely basis other approvals required for commencement and completion of the improvements contemplated for the Project (assuming that Developer is using commercially reasonable efforts to obtain such approvals); actions or inquiries by a Governmental Authority; the occurrence of Landfill or other construction cost premiums that render development of a Parcel or portion thereof commercially uneconomic; and delays caused by the City's inability to comply with its obligations regarding title under Article 13 hereof. Without limiting the foregoing, (1) the time for performance of Developer's obligations to submit a Substantially Complete DAP application and to Take Down land for any particular Phase under the Schedule of Performance shall be extended for each day that the City exceeds its review and approval periods for the applicable DAP application as set forth in the DAP Procedures; and (2) the time for performance of Developer's obligations to meet the outside dates set forth in the Phase Schedule of Performance for an applicable Phase shall be extended for each day that the City exceeds its review and approval periods for the applicable architectural review application as set forth in the DAP Procedures.

Section 24.1.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

24.1.3 Notwithstanding anything to the contrary in this <u>Section 24.1</u>, the following shall not be Excusable Delay: (1) the lack of credit or financing, unless such lack is the result of Materially Adverse Economic Conditions or arises in connection with a Market-Wide Disruption; or (2) the appointment of a receiver to take possession of the assets of Developer, an assignment by Developer, for the benefit of creditors, or any other action taken or suffered by Developer under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute.

The following new Section 24.1.4 of the Agreement is hereby added to the Agreement:

24.1.4 Notwithstanding anything to the contrary in this Section 24.1, if Developer elects to proceed with Scheme C, the occurrence of Materially Adverse Economic Conditions shall not be an Excusable Delay with respect to any future dates on the Schedule of Performance applicable to Parcels 1 and 2.

Section 24.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

24.2 Period of Excusable Delay or Force Majeure. The period of an Excusable Delay or Force Majeure shall commence to run from the time of the commencement of the cause and, subject to Section 24.3 hereof, shall run for the duration of the event of Excusable Delay or Force Majeure. The Party claiming Excusable Delay or Force Majeure shall provide notice to the other applicable Parties of such Excusable Delay or Force Majeure within a reasonable time following the commencement of the cause. If, however, notice by the Party claiming such extension is sent to the other Parties more than sixty (60) days after the commencement of the cause, the period shall commence to run only sixty (60) days before the giving of such notice, provided that the Party claiming the extension gives notice within a reasonable time following the commencement of the cause. No extension for Excusable Delay or Force Majeure shall cause any future dates in the Schedule of Performance applicable to the Party claiming Excusable Delay or Force Majeure, or other date for performance occurring after the date of the notice, to be extended, unless such future dates are eligible to be extended in their own right by reason of Excusable Delay or Force Majeure. Notwithstanding the foregoing, extensions for an Excusable Delay or Force Majeure obligation in the Schedule of Performance shall serve to extend other Schedule of Performance obligations within the same Phase if such dates for performance are directly tied to each other in the Schedule of Performance. Notwithstanding anything to the contrary in this Article 24, Master Developer or any applicable Phase Developer shall not be entitled (A) to abandon any portion of the Project Site that it has Taken Down or where it has Commenced Initial Improvements without first taking appropriate measures to leave the property in good and safe condition, (B) to extend the Outside Dates for the Completion of Initial Improvements or other Improvements that have Commenced to the extent that Excusable Delay or Force Majeure is not related to such activities, (C) to cease paying taxes or assessments on any real property it owns within the Project Site, (D) to avoid the obligation to maintain in effect Adequate Security or other financial assurances, (E) to avoid or delay its obligations to construct the Initial Improvements, except to the extent an Excusable Delay or Force Majeure relates to Master Developer's or the applicable Phase Developer's obligations for such construction, or (F) to avoid or delay its payment of the Financial Obligations.

Exhibit A of the Agreement is hereby amended to modify and/or add the following definitions in appropriate alphabetical order:

"Building" means each physical structure located within a Phase that is intended for human occupancy or the conduct of a business, including hotels, retail, light industrial and office space and apartments.

"Environmental Activity" means any storage, installation, existence, release, threatened release, discharge, generation, abatement, removal, disposal, handling or transportation from, under, into or on the City Landfill Parcels of any Hazardous Material.

"Hazardous Material" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted or otherwise regulated under Environmental Laws as a "hazardous constituent", "hazardous substance", "hazardous waste constituent", "infectious waste", "medical waste", "biohazardous waste", "extremely hazardous waste", "pollutant", "toxic pollutant", or "contaminant", or any other designation intended to classify substances by reason of properties that are deleterious to the environment, natural resources, wildlife or human health or safety, including, without limitation, ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity and reproductive toxicity. Hazardous Material includes, without limitation, any form of natural gas, petroleum products or any fraction thereof, asbestos, asbestos-containing materials, PCBs, PCB-containing materials, and any substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures or byproducts, damages or threatens to damage the environment, natural resources, wildlife or human health or safety.

"Master CC&Rs" is defined in Section 9.4.

"Ped/Bike Connection" is defined in Section 5.3.8.

"Phase Developer" means, with respect to a Phase (or Partial Phase or Multiple Ground Lease), the developer thereof (which may include Master Developer) and the tenant under the Ground Lease for such Phase or Multiple Ground Lease, as such Person is determined under Article 3 or, following a permitted transfer of such Person's rights and obligations under such Ground Lease, means such transferee.

"Scheme C" or the "Scheme C Variant" means the Scheme C Variant as describe
in Master Community Plan Scheme C Supplement, approved by the City Council o
, 2025 by Resolution No

"Scheme C Entitlements" means the City Council Ordinances and Resolutions referenced in Recital D to this Second Amendment.

"Second Amendment Effective Date" means the date that the Second Amendment to Disposition and Development Agreement is approved by the City Council.

Schedule 3.2.3 attached hereto is hereby appended to the Agreement and becomes a part thereof.

Schedule 6.1.9(3) attached hereto is hereby appended to the Agreement and becomes a part thereof.

Exhibit F attached hereto amends and restates Exhibit F of the Agreement in its entirety, including adding the Schedule of Performance – Scheme C Overlay.

### Miscellaneous

Entire Agreement. This Second Amendment, together with the Agreement, constitutes the entire understanding and agreement between the Parties with respect to the subject matter contained herein. All other terms and conditions of the Agreement shall remain in full force and effect.

<u>Binding Effect</u>. This Second Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.

<u>Governing Law</u>. This Second Amendment shall be interpreted, construed, and enforced in accordance with the laws of the State of California.

**IN WITNESS WHEREOF,** the Parties hereto have executed this Second Amendment as of the date first set forth above.

CITY ( corpora	OF SANTA CLARA, a municipal ation
•	
By:	
-	Jovan Grogan
Title:	City Manager
Approv	ed as to form:
By:	
	Glen Googins
Title:	City Attorney
Approv	ved on, 2025
<b>G</b> :. <b>G</b>	ouncil Resolution No.

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

## **DEVELOPER**

RELATED SANTA CLARA, LLC,
a California limited liability company

By:	
Name:	
Title:	

## **ACKNOWLEDGMENT**

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.

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County of	)	
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I certify under PENAI paragraph is true and		of the State of California that the foregoing
WITNESS my hand a	nd official seal.	
Signature	(5	Seal)

## **ACKNOWLEDGMENT**

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	)	
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#### SCHEDULE 3.2.3

### Examples of Early Take Down Scenarios

### 1. Assumptions

The Outside Date in the Exhibit F Schedule of Performance for Land Take Down for Phase 2 is December 23, 2027, but remains subject to further extension by Excusable Delay.

The Outside Date in the Scheme C SOP Overlay for Land Take Down for the first Phase within Parcels 1 or 2 is November 19, 2028.

### 2. Examples

Example 1: Scheme C SOP Overlay Not Triggered. Master Developer complies with the Exhibit F Schedule of Performance for Phase 2 by causing Land Take Down for Phase 2 by December 23, 2027. In such case, the Scheme C SOP Overlay no longer applies and all future Phases remain governed by the Exhibit F Schedule of Performance.

Example 2: Scheme C SOP Overlay Triggered; Master Developer Meets Outside Date for Parcel 1 or 2 Land Take Down. The Outside Date for Phase 2 Land Take Down is extended by reason of Excusable Delay through December 23, 2029. In order to retain its Take Down rights to Parcels 1 and 2 under Scheme C, Master Developer must Take Down the first Phase within Parcels 1 or 2 by November 19, 2028 (with Outside Dates for Phase Option Notice and DAP Submittal to occur 8 and 4 months prior, respectively). Thereafter, the next Outside Date will be December 23, 2029 for Phase 2 Land Take Down. Once Phase 2 is Taken Down in time, all future Schedule of Performance Dates will be as set forth on the original Exhibit F Schedule of Performance. However, if the Outside Date for Phase 2 is further extended beyond November 19, 2031 (3 years after Parcel 1 or 2 Take Down), the next applicable Land Take Down Outside Date will be November 19, 2031 for the second Phase within Parcels 1 or 2 (with Outside Dates for Phase Option Notice and DAP Submittal to occur 8 and 4 months prior, respectively).

Example 3: Scheme C SOP Overlay Triggered; Master Developer Fails to Meet Outside Date for Parcel 1 or 2 Land Take Down. The Outside Date for Phase 2 Land Take Down is extended by reason of Excusable Delay through December 23, 2029. If Master Developer fails to Take Down the first Phase within Parcels 1 or 2 by November 19, 2028, then one of the Phases in Parcel 1 or 2 will revert to City, as provided in Section 7.3. Thereafter, the next Outside Date will be December 23, 2029 for Land Take Down for Phase 2. If the Outside Date for Phase 2 Land Take Down is not further extended for Excusable Delay, then so long as Master Developer Takes Down

Phase 2 by December 23, 2029, all future Schedule of Performance Dates will be as set forth on the original Exhibit F Schedule of Performance. However, if Master Developer fails to Take Down Phase 2 by December 23, 2029, City may exercise its termination remedies under Section 7.3

### **SCHEDULE 6.1.9(3)**

For any Ground Lease on Parcels 1 or 2, if Scheme C is selected, insert the following new Section 3.3.4 into the Ground Lease:

## 3.3.4 Adjustments to Base Rent for Data Center Development

If Tenant uses, or enters into any Sublease for the use of, the Premises or any portion thereof for a Data Center (as defined in the MCP), then effective upon the issuance of a building permit for the Data Center (the "Data Center Rent Escalation Date"), the Base Rent attributable to the parcel of land on which the Data Center is located shall automatically increase by one hundred percent of the amount in effect immediately prior to the Data Center Rent Escalation Date. If the Data Center parcel occupies a legal parcel that is less than the entirety of the Premises, then the Base Rent escalation shall be calculated by multiplying the Base Rent in effect immediately prior to the Data Center Rent Escalation Date by a fraction, the numerator of which is the square footage of the Data Center parcel and the denominator of which is the total square footage of the Premises. Within thirty (30) days after the Data Center Rent Escalation Date: (i) City and Tenant shall execute and exchange an instrument confirming the new Base Rent retroactive to the Data Center Rent Escalation Date, but the failure of either party to execute such instrument shall not affect the effectiveness of the Base Rent escalation; and (ii) Tenant shall pay to City the applicable Base Rent increase for the applicable Lease Year, prorated on the basis of twelve months of thirty (30) days each for the remainder of the applicable Lease Year.

Resolution/ Related Santa Clara Project – DDA Second Amendment Rev: 7/27/2023

### **EXHIBIT F**

### Schedule of Performance - General<sup>1</sup>

Adjusted for Materially Adverse Economic Condition ending November 30, 2025 (subject to continuation pursuant to DDA)

Take Down Phase	Outside Date for Phase Option Notice <sup>2</sup>	Outside Date for first DAP Submittal	Outside Date for Land Take Down	Outside Date for Commencement of Construction of Infrastructure
13	N/A*	N/A*	N/A*	Within 2 years after Actual Take Down of Phase 1 <sup>4</sup>
25	N/A*	N/A*	December 23, 2027	Within 2 years after Actual Take Down of Phase 2

Resolution/ Related Santa Clara Project – DDA Second Amendment Rev: 7/27/2023

<sup>1</sup> All Outside Dates are subject to extension for Excusable Delay in accordance with the DDA other than any Take Down Phase located on Parcels 1 or 2, which Outside Dates shall only be subject to Force Majeure.

<sup>2</sup> Notwithstanding the Outside Dates for Phase Option Notice, for any Phase or Partial Phase on which the BMX Track is located and operational, Developer shall provide a Phase Option Notice no less than twelve (12) months prior to the Outside Date for Take Down of such Phase of Partial Phase as required by Section 4.3 of the DDA.

<sup>3</sup> All references to Phase 1 are to the Phase 1 shown in the Phasing Plan for the Project approved by the City by letter dated December 19, 2022.

<sup>4</sup> For clarification, because Excusable Delay has been in effect since Actual Take Down of Phase 1, the Outside Date for Commencement of Construction of Infrastructure on Phase 1 shall be 2 years after the Excusable Delay ends, subject to future periods of Excusable Delay, if applicable.

<sup>5</sup> All references to Phase 2 are to the Phase 2 shown in the Phasing Plan for the Project approved by the City by letter dated December 19, 2022.

<sup>\*</sup> For Phases 1 and 2, the Phase Option Notice and DAP have already been submitted, and Take Down of Phase 1 occurred December 20, 2022.

Phase 2A	Three (3) months prior to Outside Date for Land Take Down	n/a	The earlier to occur of: (i) 12 months after Commencement of construction of any residential buildings within Phase 2; or (ii) 24 months from the Commencement of Infrastructure within	n/a
3	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	4 years after Actual Phase 2 Take Down	Within 1 year after Actual Take Down of Phase 3
4	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	5 years after Actual Phase 3 Take Down	Within 2 years after Actual Take Down of Phase 4
5	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	3 years after Actual Phase 4 Take Down	Within 2 years after Actual Take Down of Phase 5
6	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	2 years after Actual Phase 5 Take Down	Within 2 years after Actual Take Down of Phase 6
7	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	2 years after Actual Phase 6 Take Down	Within 2 years after Actual Take Down of Phase 7

Resolution/ Related Santa Clara Project – DDA Second Amendment Rev: 7/27/2023

# SCHEDULE OF PERFORMANCE – SCHEME C OVERLAY

Take Down	Outside Date for Phase	Outside Date for first	Outside Date for Land	Outside Date for Commencement of Construction of Infrastructure
Phase	Option Notice	DAP Submittal	Take Down	
First Phase of Scheme C Parcels 1 and 2	8 Months prior to Outside Date for Land Take Down	Four (4) months prior to Outside Date for Land Take Down	3 years after the date that the Schedule C Entitlements have become final, binding and non- appealable	Within 1 year after Actual Take Down of the first Scheme C Parcel
Second Phase of Scheme C Parcels 1 and 2	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	3 years after the Actual Take Down of the first Scheme C Parcel	Within 1 year after Actual Take Down of the applicable Scheme C Parcel
Last Phase of	Eight (8) months prior to	Four (4) months prior to	3 years after the Actual	Within 1 year after Actual Take Down of the applicable Scheme C Parcel
Scheme C	Outside Date for Land	Required Land Take	Take Down of the first	
Parcels 1 and 2	Take Down	Down Date	Scheme C Parcel	

### FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

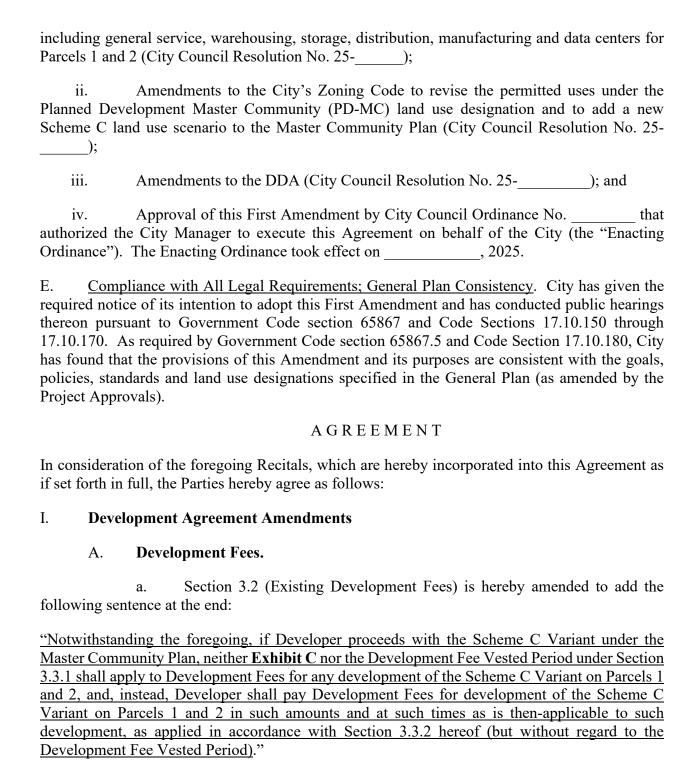
### **City Place Santa Clara**

This First Amendment to the Development Agreement ("**First Amendment**") is entered into as of \_\_\_\_\_\_\_, 2025 (the "First Amendment Effective Date"), by and between the City of Santa Clara ("City"), a chartered municipal corporation, and Related Santa Clara, LLC ("Developer"), a Delaware limited liability company.

### RECITALS

This First Amendment is made with reference to the following facts, intentions and understandings of the Parties:

- A. <u>Background</u>. The City and Developer entered into that certain Development Agreement dated August 12, 2016 (as amended from time to time, the "**Agreement**") for the development of City Place Santa Clara. Defined terms in this First Amendment have the meanings ascribed to them in the original Development Agreement.
- B. <u>Scheme C Variant</u>. At the request of Developer, the City has adopted an amendment to the Master Community Plan in the form of a Master Community Plan Scheme C Supplement (City Council Ordinance No. 25-\_\_\_\_). The Master Community Plan Scheme C Supplement authorizes a new Scheme C Variant that includes the same total development area as Scheme A and Scheme B, having a total of approximately 9,164,400 square feet of mixed use, but would include (i) approximately 800,000 of retail; (ii) the same number of hotel rooms and residential units as Scheme A; (iii) approximately 4,517,400 square feet of office on Parcel 4; and (iv) approximately 1,600,000 square feet of light industrial uses on Parcels 1 and 2 (as described in the Master Community Plan Scheme C Supplement, the "Scheme C Variant"). The Master Community Plan Scheme C Supplement provides that any amount of permitted office use within the City Center Mixed-Use District (Parcels 4 and 5) may be swapped out for an equivalent square footage of retail space, subject to approval through the DAP process, or if a DAP has already been approved, then subject to approval through the Architectural Review process.
- C. <u>Environmental Review</u>. The City analyzed the proposed potential environmental impacts of the Scheme C Variant and adopted a Fourth Addendum to EIR (City Council Resolution No. 25-\_\_\_\_), in which it determined that the use of the Project Site under this Agreement, as amended for the Scheme C Variant, are included within the scope of the Project EIR in that the potential environmental impacts of the development and use of the Project Site for the Scheme C Variant under the DDA and the Master Community Plan are addressed in the Project EIR.
- D. <u>Scheme C Variant Project Approvals</u>. Following the City's approval of the Fourth Addendum, the City took the following actions to implement the Scheme C Variant, all of which are deemed to be included within the definition of "Project Approvals" as set forth in the Development Agreement:
- i. Amendments to the Santa Clara General Plan to revise the permitted uses under the Urban Center/Entertainment District land use designation to add a range of light industrial uses,



"Notwithstanding the foregoing, the Development Fee Vested Period shall not apply to development on Parcels 1 and 2 under the Scheme C Variant."

Agreement is hereby amended to add the following sentence at the end:

Section 3.3.1 (During the Development Fee Vested Period) of the

B. **Traffic Impact Fee Vested Period**. The first sentence of Section 3.4.1 (Current Traffic Impact Fees) is hereby amended in its entirety as follows:

"Beginning on the Effective Date and continuing until the later of (a) the date on which the Development Fee Vested Period expires and (b) the date by which building permits have been issued for at least one million five hundred thousand (1,500,000) square feet of office space on the Project Site (such time period being referred to as the "Traffic Impact Fee Vested Period"), Developer shall pay traffic impact fees (the "Traffic Impact Fees") pursuant to Section 17.15.330 of the Code in the following amounts per square foot:"

- C. **Regional Traffic Fees**. Section 3.5 of the Agreement is hereby amended to add the new underlined language:
- 3.5 Regional Traffic Fees. Developer agrees to pay the fixed sums of (a) One Dollar (\$1.00) per square foot of Office uses (as defined in Section 17.15.330(b)(8) of the Code), and Retail uses (as defined in the DDA), and b) Fifty Cents (\$0.50) per square foot for residential uses, and (b) \$1.00 per square foot of Light Industrial Uses (as defined in Appendix B to the Master Community Plan Scheme C Supplement) (together, the "Regional Traffic Fees"). The Regional Traffic Fees shall be payable to the City at the time of issuance of each Building Permit for Vertical Construction that contains office uses, retail uses, light industrial uses and/or residential uses, as applicable, based upon the square footage of such uses. Regional Traffic Fees are non-refundable, and shall not increase over the Term of this Agreement.
- D. **Engineering Plan Check Fees**. Notwithstanding Section 5.1 of the Agreement, Engineering Plan Check Fees applicable to development of the Scheme C Variant on Parcels 1 and 2 shall be those in effect, as and when due.

### E. Housing Affordability.

a. Section 1.2.5 of the Agreement is hereby amended in its entirety as follows:

"Affordable Unit" shall mean, for any residential units constructed within Phase 1, a residential unit that is affordable to households with income that does not exceed one hundred twenty percent (120%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time, and for any residential units constructed within Phase 2 or Phase 3, a residential unit that is affordable to households with income that does not exceed one hundred percent (100%) of the Area Median Income for Santa Clara County, as adjusted and amended from time to time.

- b. Section 4.5.1 of the Agreement is hereby amended in its entirety as follows:
- 4.5.1 <u>Voluntary Commitment</u>. The Parties acknowledge the Project shall not be subject to the provisions of the Code adopted on or before the First Amendment Effective Date, or any future amendments thereto, with respect to affordable residential units within or in connection with the Project. Nevertheless, Developer voluntarily agrees that (i) at least ten percent (10%) of all residential units constructed in Phase 1 shall be Affordable Units; and (ii) at least fifteen percent (15%) of all residential units constructed in Phase 2 or Phase 3 shall be Affordable Units. Developer shall have the right to pay an in-lieu fee instead of constructing the Affordable Units

that are associated with any market-rate units constructed as part of Phase 1 (the "Phase 1 Affordable Units") under the conditions set forth in Section 4.5.2 below.

### II. Miscellaneous

- A. Entire Agreement. This First Amendment, together with the Agreement, constitutes the entire understanding and agreement between the Parties with respect to the subject matter contained herein. All other terms and conditions of the Agreement shall remain in full force and effect.
- B. Binding Effect. This First Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.
- C. Governing Law. This First Amendment shall be interpreted, construed, and enforced in accordance with the laws of the State of California.

**IN WITNESS WHEREOF,** the Parties hereto have executed this Agreement as of the First Amendment Effective Date.

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

# **DEVELOPER**

RELATED SANTA CLARA, LLO	Ξ,	
a California limited liability compa	any	7

## **ACKNOWLEDGMENT**

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.

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County of	)	
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### **ACKNOWLEDGMENT**

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	)	
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I certify under PENA foregoing paragraph i		laws of the State of California that the
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Signature	(S	eal)

# SECOND AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT

City Place Santa Clara
This Second Amendment to the Disposition and Development Agreement ("Second Amendment") is entered into as of, 2025 (the "Second Amendment Effective Date"), by and between the City of Santa Clara ("City"), a chartered municipal corporation, and Related Santa Clara, LLC ("Developer"), a Delaware limited liability company.
RECITALS
This Second Amendment is made with reference to the following facts, intentions and understandings of the Parties:
A. <u>Background</u> . The City and Developer entered into that certain Disposition and Development Agreement dated August 12, 2016 (as amended from time to time, the " <b>Agreement</b> ") for the development of City Place Santa Clara. Defined terms in this Second Amendment have the meanings ascribed to them in the original Agreement.
B. <u>Scheme C Variant</u> . At the request of Developer, the City adopted an amendment to the Master Community Plan in the form of a Master Community Plan Scheme C Supplement (City Council Resolution No. 25). The Master Community Plan Scheme C Supplement authorized a new Scheme C Variant that includes the same total development area as Scheme A and Scheme B, having a total of approximately 9,164,400 square feet of mixed use, but would include (i) approximately 800,000 of retail; (ii) the same number of hotel rooms and residential units as Scheme A; (iii) approximately 4,517,400 square feet of office on Parcel 4; and (iv) approximately 1,600,000 square feet of light industrial uses on Parcels 1 and 2 (as described in the Master Community Plan Scheme C Supplement, the "Scheme C Variant").
C. <u>Environmental Review</u> . The City analyzed the potential environmental impacts of the proposed Scheme C Variant and adopted a Fourth Addendum to EIR (City Council Resolution No. 25), in which it determined that the use of the Project Site under the Agreement, as amended for the Scheme C Variant, are included within the scope of the Project EIR in that the potential environmental impacts of the development and use of the Project Site for the Scheme C Variant under the DDA and the Master Community Plan are addressed in the Project EIR.
D. <u>Scheme C Variant Project Approvals</u> . Following the City's approval of the Fourth Addendum, the City took the following actions to implement the Scheme C Variant, all of which are deemed to be included within the definition of "Project Approvals" as set forth in the Agreement:
i. Amendments to the Santa Clara General Plan to include a Light Industrial land use for Parcels 1 and 2 and related minor text amendments (City Council Resolution No. 25);
ii. Amendments to the PD-MC zoning as applicable to the Project Site and adoption of the Master Community Plan Scheme C Supplement (City Council Resolution No. 25-);

- iii. Amendments to the Development Agreement (City Council Ordinance No. 25);
- iv. Approval of this Second Amendment by City Council Resolution No. \_\_\_\_\_\_, and authorizing the City Manager to incorporate the First Amendment to Disposition and Development Agreement and this Second Amendment into an Amended and Restated Disposition and Development Agreement. For purposes of this Second Amendment, revisions to the original Agreement are shown in blue for additions, red for deletions and green for moved or repositioned text.

### AGREEMENT

In consideration of the foregoing Recitals, which are hereby incorporated into this Second Amendment as if set forth in full, the Parties hereby agree as follows:

# I. Disposition and Development Agreement Amendments

- A. Section 1.2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - Subdivision. Master Developer intends to submit to the City an application 1.2.1 for the Tentative Map in accordance with CSCC Chapter 17.05 (Subdivisions), as may be amended from time to time, in order to create the Airspace Parcels and the Landfill Parcels. The Airspace Parcels as shown on the Tentative Map will consist of those Development Parcels that are congruent with the footprint of the City Landfill Parcels but located above the top of the fill layer of the landfill cap, as more particularly described in the Landfill Operation and Management Term Sheet attached hereto as Exhibit M (the "Landfill O&M Term Sheet"), but excluding any public streets. Within thirty (30) days after recordation of the First Final Map creating the Airspace Parcels, the Parties shall prepare an Exhibit B-2 that will be appended to this Agreement and become a part thereof that shall set forth the legal description of the Landfill Parcel and the Airspace Parcels. Each Phase of development will be conveyed to the Phase Developer by reference to a subsequent phased Final Map or a metes and bounds description that in either case is consistent with the corresponding Airspace Parcel as shown on the Tentative Map; provided, however, that if the Phase is conveyed by a metes and bounds description, the applicable Phase Developer will be required to record a phased Final Map covering the applicable Phase prior to Commencement of Infrastructure issuance of the first building permit within the applicable Phase. Each Ground Lease requires the parties to process a boundary adjustment through a lot line adjustment or other legal process upon Completion of the applicable Infrastructure in order to finally determine the boundaries of the applicable Airspace Parcel that is subject to the Ground Lease. The Parties anticipate that each Final Map will identify the Building parcels that are anticipated to be divided into and operated as separate condominium projects. The timing for approvals and filings of Tentative Maps and Final Maps shall be governed by Section 9.5 hereof.

- B. Section 1.5 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - Master Developer's Role Generally. Master Developer shall be the master 1.5 developer for the Project, coordinating the development of the Project in cooperation with City, Phase Developers and others as more fully provided herein. Either Master Developer or an assignee of Master Developer pursuant to a "Permitted Transfer," as described in Section 22.6.1(b) shall have the obligation to serve as the Phase Developer for Phase 1 and 2, as shown on the Phasing Plan attached hereto as Exhibit E. If the Scheme C Variant is selected as provided under Section 6.2.1(c), then either Master Developer or an assignee of Master Developer pursuant to a "Permitted Transfer" as described in Section 22.6.1(b) or a "Scheme C Consent Transfer" as described in Section 22.4.2(b) shall have the obligation to serve as the Phase Developer for any Phase within Parcels 1 and 2 that is Taken Down by Master Developer or its designated Phase Developer(s). Subject to its timely Take Down of Phases 1, 2 and 2A, Master Developer, on behalf of itself or an Affiliate, retains the exclusive option to Take Down Phases 3 through 7 as the Phase Developer thereof in accordance with the terms of this Agreement; provided, however, that the failure of Master Developer to Take Down any Phase other than Phases 1, 2 and 2A shall not affect its option to Take Down future Phases. For the avoidance of doubt, Master Developer, on behalf of itself or an Affiliate, shall not be required to exercise its Phase Option and Take Down all or any portion of Phase 2 or Phase 2A as a prerequisite to its ability to exercise its Phase Option and Take Down any Phase that includes a portion of Parcels 1 or 2 (each Phase Option exercise and Take Down of any Phase that includes Parcel 1 or Parcel 2 that occurs before Phase 2 or Phase 2A, an "Early Take Down"); provided, however, that except as provided in Section 1.7 and Section 3.2.3, an Early Take Down shall not affect the Schedule of Performance applicable to Phase 2 or Phase 2A, or the City's remedies for Master Developer's failure to Take Down Phase 1, Phase 2 or Phase 2A by the applicable Outside Dates therefor in the Schedule of Performance, subject to Excusable Delay, as provided in Section 21.2.1(b). In addition to Master Developer's other rights and obligations under this Agreement, Master Developer remains obligated to City for the payment of all Financial Obligations hereunder. The procedures applicable to Master Developer's exercise of an Early Take Down are as set forth in Section 3.2.3.
- C. Section 1.7 of the Agreement is hereby amended to add the following sentence at the end of the paragraph.

The Schedule of Performance includes a Scheme C Overlay Schedule of Performance that applies to the Project unless Land Take Down for Phase 2 occurs before the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date, as more particularly described in Section 3.2.3.

D. Section 3.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

- 3.1 <u>Phasing Plan</u>. The development of the Project will take place over a total of up to eight (8) Phases, each of which is conceptually illustrated on the Phasing Plan attached hereto as <u>Exhibit E</u>. The Phasing Plan illustrates on a conceptual level the size, and order of the Phases, given City's and Master Developer's best estimates of the conditions forecast for the expected development period; however, this Agreement anticipates that other than Phases 1, 2 and 2A <u>(and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down)</u>, the subsequent Phases as shown on the Phasing Plan may be reconfigured, re-ordered and/or developed in partial Phases, subject to the provisions of <u>Article 4</u> hereof. Notwithstanding the foregoing, Master Developer's rights and obligations with respect to Phase 2A shall be as set forth in <u>Section 4.8</u> below.
- E. Section 3.2.2 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 3.2.2 <u>All Subsequent Phases</u>. Subject to the fulfillment of its obligations under Section 3.2.1 above for Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 hereof with respect to an Early Take Down), Master Developer shall have the right, but not the obligation, to exercise Phase Options for, and to Take Down, Phases 3 through 7. The Take Down of the remainder of the Phases and subsequent development of each Phase may occur in any sequence or order Master Developer chooses, including concurrently, subject to compliance with the provisions of this Agreement.
- F. The following new Section 3.2.3 of the Agreement is hereby added to the Agreement:

### 3.2.3 Early Take Down.

Early Take Down Generally. Notwithstanding anything to the (a) contrary in this Agreement (including Section 3.2.1 or Section 3.2.2 hereof) and without limiting the City's remedies under Section 21.3 (Remedies) and Section 21.4 (Termination) for Master Developer's failure to Take Down Phase 1, Phase 2 or Phase 2A by the applicable Outside Dates therefor in the Schedule of Performance, Master Developer, on behalf of itself or an Affiliate, shall have the right to exercise an Early Take Down at any time before or after exercising its Phase Option and/or Taking Down all or any portion of Phase 2 or Phase 2A, and shall have the obligation to exercise an Early Take Down in accordance with the Scheme C SOP Overlay if Land Take Down for Phase 2 has not occurred by the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date (as further provided in Section 3.2.3(b)). For the avoidance of doubt and ease of administration, the exercise of an Early Take Down shall not result in the renumbering of Phase 1, Phase 2, Phase 2A or Phase 3 for purposes of this Agreement. For example, if Master Developer exercises its Phase Option for Parcel 1 prior to Take Down of Phase 2, Parcel 1 shall be considered "Phase 4".

- Scheme C Schedule of Performance. Exhibit F (Schedule of Performance) also includes a Schedule of Performance Scheme C Overlay (the "Scheme C SOP Overlay") that sets forth Outside Dates for Phase Option Notice, DAP Submittal, Land Take Down and Commencement of Construction of Infrastructure for each Phase within Parcels 1 and 2 under Scheme C. The Scheme C SOP Overlay will be triggered only if Land Take Down for Phase 2 has not occurred by the first applicable Scheme C SOP Overlay Phase Option Notice Outside Date. Once triggered, the next applicable Outside Date will be the earlier to occur of (i) the Outside Date in the Schedule of Performance for the Phase 2 Phase Option Notice; or (ii) the Outside Date in the Scheme C SOP Overlay for the next Parcel 1 or 2 Phase Option Notice. If the Scheme C SOP Overlay Outside Date occurs first, then the same framework will apply to all future Phases going forward. If the Phase 2 Schedule of Performance Outside Date occurs first, then the original Schedule of Performance will govern all future Outside Dates. Schedule 3.2.3, attached to this Agreement, sets forth examples of the application of the Scheme C SOP Overlay.
- G. The following new Section 4.1.1(f) of the Agreement is hereby added to the Agreement:
  - (f) If Multiple Ground Leases are contemplated as provided in Section 4.2.2, the proposed number of Multiple Ground Leases within the Phase, the general geographic boundaries of each and the allocation of Base Rent for each Ground Lease.
- H. Section 4.1.2 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 4.1.2 Phasing Criteria. The parties acknowledge and agree that many factors, including, but not limited to, general economic conditions, the local housing market, capital markets, general market acceptability, the adequacy of municipal services, and local tax burdens, will determine the rate at which various product types within the Project can be developed and absorbed. Therefore, with the exception of Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down), the boundaries and order of development for each Phase shall be established by Master Developer in connection with its exercise of each Phase Option, so long as any change in Phase boundaries meets the following criteria (collectively, the "Phasing Criteria"): (i) all Phase boundaries depicted in the Phasing Plan remain consistent overall with the Phase boundaries for the EOS Variant (and, if selected, the Scheme C Variant), as shown in the MCP, provided, however, that with the exception of Phases 1, 2 and 2A, each designated Phase is not required to be consistent with the conceptual phasing descriptions set forth in Section 2.3 of the MCP (or Section 2C.3 of the Scheme C Supplement, if selected); (ii) any proposed changes to the Phasing Plan shall not change the dates set forth in the Schedule of Performance (unless extended as permitted hereunder for Excusable Delay); and (iii) no Phase shall be reconfigured such that more than twenty percent (20%) of its land area is reallocated to another

Phase or Phases and further provided that Phase 2A shall not be reconfigured without the prior written consent of City, in its sole discretion.

- I. Section 4.2 of the Agreement is hereby amended and restated in its entirety to (i) add a new Section heading, (ii) amend existing Section 4.2 and renumber it as Section 4.2.1, and (iii) add a new Section 4.2.2, all as follows:
  - 4.2 <u>Partial Phases</u>.—<u>and Multiple Phase Ground Leases.</u>
    - 4.2.1 Partial Phases. Upon Master Developer's election, Master Developer shall have the option to submit a Phase Option Notice in accordance with Section 4.1 above for less than all of the land within the boundaries of a particular Phase (as applicable, a "Partial Phase"), except for Phase 2A, for which Master Developer shall not have a Partial Phase option and which shall governed by the provisions of Section 4.8, below.
    - 4.2.1(a) <u>Partial Phases Phase Criteria</u>. In addition to the requirement that the overall Phase meet the Phasing Criteria set forth in Section 4.1.2, above, any such proposed Partial Phase must meet the following criteria (the "Partial Phase Criteria"), except to the extent otherwise Approved by the City Manager:
    - (ai) The total acreage of such Partial Phase shall be no less than twenty (20) acres; and
    - (bii) City shall have determined that any remaining portion of the Phase, as shown in the Phasing Plan proposed as part of the applicable Phase Option Notice, constitutes a developable area.
    - 4.2.2(b) <u>Nomenclature</u>. The first Partial Phase within a Phase shall be referred to in the Phasing Plan and known as "[Phase Number]-A," the second Partial Phase shall be referred to in the Phasing Plan and known as "[Phase Number]-B," and so forth.
    - 4.2.3(c) <u>Modifications to Allowed Square Footage Table</u>. If any Phase Option Notice is delivered to City for a Partial Phase after the date upon which City and Master Developer have conclusively determined the Allowed Square Footage Table pursuant to <u>Article 10</u>, below, then concurrently with the Phase Option Notice, Master Developer shall deliver to City a modified Allowed Square Footage Table in accordance with <u>Section 10.2</u>, below. City and Master Developer shall work together to finalize the modified Allowed Square Footage Table in accordance with the Approval procedure outlined in Section 10.1, below.
    - 4.2.4(d) <u>Timing</u>. The failure to meet a Phase Outside Date (as such term is defined in <u>Article 7</u>, below) for any portion of a Phase shall be governed by Article 7, below; provided, however, that submittal of a Phase Option Notice for the first Partial Phase in Phases 4 through 7 shall

adjust the Phase number and Phase Outside Date for all future Phases. By way of example only, and not limitation, if Phase 6 were partially Taken Down prior to any portion of Phase 5 being taken down, then Phase 6 would become Phase 5 for the purposes of this Agreement, and the Phase Outside Dates formerly applicable to Phase 5 would apply to the Phase 6 boundaries instead; however, if Phase 5 were partially Taken Down and subsequently Phase 6 were partially Taken Down, then the Phase Outside Dates applicable to Phase 5 would apply to the property within the boundaries of Phase 5, and the Phase Outside Dates applicable to Phase 6 would apply to the property within the boundaries of Phase 6.

- 4.2.5(e) Partial Phases for City Center Phases. The City Center Phases may be Taken Down as Partial Phases subject to the foregoing Partial Phase Criteria, provided, however, that a Partial Phase Take Down any of such City Center Phases shall not adjust the Phase numbers or the Phase Outside Dates for those Phases and the Base Rent for a Partial Phase within such Phases shall be calculated in accordance with Section 6.3.3 hereof.
- 4.2.6(f) <u>Terminology</u>. For the purposes of this Agreement, any use of the term "Phase" shall be deemed to mean one or more Partial Phases, as the context requires.
- 4.2.2 <u>Multiple Ground Leases.</u> Whether or not Master Developer elects to Take Down Partial Phases in accordance with Section 4.2.1, Master Developer shall have the right to take down each Phase in multiple Ground Leases (as applicable to each Phase, the "Multiple Ground Leases"), subject to compliance with Section 6.6, except for Phase 2A, for which Master Developer shall not have a Multiple Ground Lease option and which shall be governed by the provisions of Section 4.8, below
- (a) Multiple Ground Lease Criteria. In addition to the requirement that the overall Phase meet the Phasing Criteria set forth in Section 4.1.2, above, each Multiple Ground Lease must meet the following criteria (the "Multiple Ground Lease Criteria"), except to the extent otherwise Approved by the City Manager.
- (i) Master Developer shall have a right to up to three Multiple Ground Leases within each Phase of Parcels 1 and 2 so long as the City shall have determined that the premises under each Multiple Ground Lease and any remaining portion of the applicable Phase constitutes a developable area. City approval in connection with the applicable DAP approval, or subsequently, by and through the City Manager, shall be required for any number of Ground Leases in excess of three Multiple Ground Leases within each Phase of Parcels 1 and 2, provided, however, that City shall not withhold its consent if Master Developer provides reasonably detailed evidence that such additional Multiple Ground Leases are reasonably

required to facilitate leasehold financing or attract desirable tenants and the City shall have determined that the premises under each Multiple Ground Lease and any remaining portion of the applicable Phase constitutes a developable area. The parcel that is the subject of each Multiple Ground Lease shall be a legal parcel for purposes of compliance with the Subdivision Map Act.

- Master Developer shall have a right to enter into Multiple Ground (ii) Leases for each Phase within Parcel 4 to be established in connection with each applicable Parcel 4 DAP. Master Developer shall identify the proposed number and boundaries of the Multiple Ground Leases in each Phase Option Notice, if known, and in each applicable DAP application. As part of its approval of the applicable DAP application, the City shall not withhold its consent to Multiple Ground Leases for each Phase on Parcel 4 if the request meets the following criteria: (i) Master Developer provides evidence from third-party experts reasonably satisfactory to the City that the requested Multiple Ground Leases in the size and location requested are the minimum reasonably required to facilitate leasehold financing and/or attract desirable tenants; (ii) the City shall have determined that the premises under each Multiple Ground Lease, and any remaining portion of the Phase, constitutes a developable area; and (iii) the total number of Multiple Ground Leases will not exceed ten (10) within Phase 2 or three (3) within each of Phase 3 and the Northwest Office Parcel. The parcel that is the subject of each Multiple Ground Lease shall be a legal parcel for purposes of compliance with the Subdivision Map Act. If additional Multiple Ground Leases are subsequently requested after City Council approval of the applicable DAP application, such additional Multiple Ground Leases may be approved by the City Manager, subject to the Multiple Ground Lease Criteria.
- (iii) The annual Base Rent applicable to the Phase to be Taken Down in Multiple Ground Leases shall be allocated amongst the Multiple Ground Leases in accordance with Section 6.8, or otherwise equitably allocated with the City's approval such that there shall be no decrease to the City of the applicable annual Base Rent applicable to the entirety of the Phase.
- (iv) <u>Each Multiple Ground Lease must comply with the applicable requirements of Section 6.1.</u>
- (b) Nomenclature. Each Multiple Ground Lease in a Phase shall be referred to in the updated Phasing Plan and known as "[Phase Number]-A," the second Multiple Ground Lease shall be referred to in the Phasing Plan and known as "[Phase Number]-B," and so forth; provided, however, that if the Multiple Ground Lease is within a Partial Phase, the first Multiple Ground Lease within the Partial Phase will be known as "[Phase Number] [Partial Phase Letter] -1"; the second Multiple Ground Lease shall be

referred to in the Phasing Plan and known as "[Phase Number] –[Partial Phase Letter] -2" and so forth.

- J. Section 4.3.1 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 4.3.1 Phase Option Notice Timing. In order to provide the City with adequate advance notice to discontinue the BMX Track located on Parcel 1 and deliver the applicable Phase free of all tenants in accordance with Section 13.2.1, for any Phase or Partial Phase on which the BMX Track is located and operational, Developer shall provide a Phase Option Notice no earlier than the date on which the BMX track has been relocated or discontinued or the second (2nd) anniversary of the Effective Date, whichever is earlier, and no later than eighteen (18at least twelve (12) months prior to the Outside Date for anticipated actual Take Down of Such Such Phase or Partial Phase.
- K. The first paragraph of Section 4.5 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 4.5 <u>Designation of Phase Developer</u>. Master Developer shall have the right, simultaneously with its submittal of a Phase Option Notice, to submit a proposal (the "Phase Developer Designation") to designate another Person as the Phase Developer for the Phase (or Partial Phase or for each Multiple Ground Lease) in question in accordance with the provisions set forth in <u>Article 22</u> hereof, and shall notify City whether the Phase Developer Designation is a Permitted Transfer or will require a Consent Transfer.
- L. Section 4.5.1 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - If the Phase Developer Designation would require a Consent Transfer pursuant to Article 22 and if City disapproves of the proposed Phase Developer in accordance with the terms and provisions thereof, then, except to the extent that Master Developer elects to dispute such disapproval in accordance with the dispute resolution provisions of Article 20 hereof, Master Developer shall at its option, exercisable within ten (10) days after its receipt of City's disapproval, notify City in writing of Master Developer's election to: (i) become the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); (ii) designate another Person as the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); or (iii) elect to rescind its exercise of the Phase Option in question. If Master Developer does not elect an option in clause (i) or clause (ii) above within such ten (10) day period, Master Developer shall be deemed to have elected the option in clause (iii). If Master Developer elects the option in clause (ii) above, then such a designation shall again be a proposed assignment and processed in accordance with the terms of this Section 4.5. This process shall repeat itself until the earliest to occur of the following: (a) Master Developer elects to become the Phase Developer for such Phase (or Partial Phase or Multiple Ground Lease); (b)

City approves the proposed Assignment; and (c) Master Developer is deemed to have rescinded its exercise of the Phase Option in question.

- M. Section 4.6 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 4.6 Effect of Failure of Master Developer to Exercise Phase Option. Except with respect to Phases 1, 2 and 2A (and subject to Section 3.2.3 with respect to an Early Take Down), if Master Developer fails to submit a Substantially Complete Phase Option Notice to City for any portion of a Phase by the applicable Outside Date (as it may be extended by Excusable Delay, if applicable), such failure shall not constitute a default hereunder by Master Developer but City may submit to Master Developer a Phase Termination Notice and terminate Master Developer's rights with respect to the applicable Phase (or portion thereof) in accordance with the terms of Article 7 hereof.
- N. The first paragraph of Section 4.8 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 4.8 Special Procedures for Phase 2A. The MCP identifies Pursuant to City Council Resolution No. 16-8337, the City Council adopted the EOS Variant for the parcel shown on the Phasing Plan as Phase 2A ("Phase 2A"), which EOS Variant is reflected in the MCP. As a public benefit to the Project, the Parties have agreed to proceed with the EOS Variant in which Phase 2A will be reserved for park, recreation and open space uses that are complementary to, and do not unreasonably interfere with, the City Center Phases. In order to implement the EOS Variant in connection with the rest of the Project, Phase 2A shall be subject to the following provisions, notwithstanding anything to the contrary in this Agreement, including this Article 4:
- O. Section 4.8.1(e) of the Agreement is hereby amended and restated in its entirety to read as follows:
  - (e) Master Developer shall pay to the City up to Five Million Dollars (\$5,000,000) for the design and construction of the City Place Park, as described in the MCP (the "City Place Park"), of which Five Hundred Thousand Dollars (\$500,000) may be used by the City for planning and design work (including visioning and community outreach and engagement) for the initial concept design (the "City Place Park Design Contribution"), with the remaining amount to be used for construction of the Phase 2A park (the "City Place Park Construction Contribution"). City shall include its anticipated City Place Park planning and design costs in its Semi-Annual Budget and Master Developer shall advance funds for the City Place Park Design Contribution in accordance with the procedures for payment of City Costs set forth in Section 26 up to the maximum amount payable of Five Hundred Thousand Dollars (\$500,000). Master Developer shall pay to City the City Place Park Construction Contribution within thirty (30) days after request by City, but in no event earlier than the City's Commencement of the City Place

Park improvements. City shall use the City Place Park Construction Contribution solely for Hard Costs for construction of the City Place Park and shall provide Master Developer with quarterly invoices showing its expenditure of the City Place Park Construction Contribution up to the maximum amount.

- P. Section 5.1.3 of the Agreement is hereby amended and restated to replace "to the extent know" with "to the extent know".
- Q. Sections 5.3.1(b)(i) and 5.3.1(b)(ii) of the Agreement is hereby amended and restated in its entirety to read as follows:

### (b) Final Station Site Improvements.

- (i) As a condition to Commencement of Infrastructure within Phase 2, Developer shall have obtained City Council Approval of the conceptual design, location, and construction schedule for the final station (together, the "Final Station Site Improvements").
- Promptly after the later to occur of (i) City acquisition of the City Council-approved relocation site for the Fire Station (the "Relocation Trigger Event"), and (ii) the date that the Schedule C Entitlements have become final, binding and non-appealable, Master Developer, at its sole cost and expense but in consultation with City staff, shall promptly prepare conceptual design drawings for the final station in the approved location (the "Final Station Site Improvements") along with an anticipated construction schedule. Conceptual design drawings for the Fire Station Site Improvements shall be at a level of detail reasonably acceptable to City staff for presentation to the City Council for approval. City Council approval of the Final Station Site Improvements shall be a condition to Commencement of Infrastructure within Phase 2 or any Parcel subject to a DAP approved under Scheme C, whichever occurs first; provided, however, if Developer is ready to Commence Infrastructure within Phase 2 or any Parcel subject to a DAP approved under Scheme C, as applicable, and the Relocation Trigger Event has not yet occurred, then Developer may Commence the applicable Infrastructure, and its obligation to prepare conceptual design drawings and a construction schedule for the Final Station Site Improvements shall be deferred until such time as the Relocation Trigger Event has occurred.
- (ii) Subject to the terms of Section 5.3.1(b)(iii), below, Master Developer shall Complete the Final Station Site Improvements no later than the <u>earlier to occur of (1)</u> issuance of the first Certificate of Occupancy for any Building within Phase 2; or (2) issuance of Certificates of Occupancy for the first 1,000,000 square feet of development of Parcels 1 and 2 combined.
- R. The following new Section 5.3.8 of the Agreement is hereby added to the Agreement:

# <u>5.3.8</u> <u>Pedestrian/Bicycle Connection.</u>

- Feasibility Study. Exhibit 3C-12 of the Scheme C Variant identifies (a) a potential location for a pedestrian/bicycle connection between Parcels 2 and Parcel 4, subject to confirmation through a Developer-funded study as provided in the Disposition and Development Agreement. In furtherance thereof, in connection with the submittal of a DAP for Parcel 2 or Parcel 4, whichever is earlier, Developer shall cause to be prepared, at Developer's sole cost and expense, a feasibility study that will identify, comparatively evaluate and develop schematic designs for two potential locations for a pedestrian and bicycle bridge that could connect Parcel 2 to the East Park on Parcel 4 (the "Ped/Bike Connection"). The Ped/Bike Connection shall include a pedestrian and bicycle path within Parcel 2 that conveniently serves to connect residents of the Tasman East development located south of Parcel 2 to the eastern end of the proposed Ped/Bike Connection bridge. As part of the study, Developer shall confer with applicable agencies having jurisdiction to ensure that then-available design criteria are considered in the feasibility study, but the feasibility study shall not require approval of such agencies. The feasibility study shall use existing survey and mapping information to develop the two options of schematic plans and sections that will include the following elements:
  - (i) <u>a description of existing conditions;</u>
  - (ii) space planning and land use;
  - (iii) <u>preliminary grading plans;</u>
  - (iv) ADA access requirements;
  - (v) <u>a summary of all construction codes applicable to the proposed design; and</u>
  - (vi) basic structural, civil and lighting requirements.

The feasibility study shall also, at a concept level, address and evaluate the following for each of the two options:

- (vii) physical constraints,
- (viii) <u>future environmental clearances and regulatory approvals</u> that would foreseeably be required, and
- (ix) effectiveness of each option to meet the goal of pedestrian and bicycle connectivity between Tasman East and Parcel 4, all at a level of detail reasonably designed for the City to evaluate the feasibility of the Ped/Bike Connection, including the environmental and permitting processes and challenges, and obtain preliminary cost estimates.
- (b) Land Reservation. Each applicable DAP for Parcel 2 and Parcel 4 will include a reservation of land reasonably sufficient to accommodate the locations for the Ped/Bike Connection identified in the feasibility study, including land within the western edge of Parcel 2, the area reserved for the East Park on Parcel 4, and connecting the Ped/Bike Connection to the Tasman East development. The feasibility study and land reservation

through the grant of a public land and aerial easements for construction, operation, and maintenance shall constitute the full extent of Developer's obligations with respect to the Ped/Bike Connection.

- (c) <u>City Election; Termination of Land Reservation.</u>
- (i) No later than eighteen (18) months after any Land Take Down that includes the proposed locations for the Ped/Bike Connection, the City shall notify Developer in writing as to whether it chooses to pursue the design, permitting and construction of the Ped/Bike Connection, and if so, in which of the two potential locations. If City decides to proceed, the City shall bear all costs and expenses associated with the Ped/Bike Connection. Developer's obligation to reserve the applicable land shall terminate and Developer may use the applicable portion of land for any use consistent with the Project Approvals in any of the following cases:
  - (A) <u>City notifies Developer of its intent not to pursue the Ped/Bike Connection;</u>
  - (B) <u>if City elects to pursue the Ped/Bike Connection in one of the two potential locations, the land reservation for the location not chosen shall terminate upon such election;</u>
  - (C) <u>City fails to notify Developer of its intent to pursue or not pursue the Ped/Bike Connection within eighteen (18) months after any Land Take Down that includes the proposed locations for the Ped/Bike Connection; or</u>
  - (D) <u>City elects to pursue the Ped/Bike Connection but fails to commence construction within three (3) years after such election, subject to Force Majeure; provided that such period of time may be extended for a period of time reasonably approved by Developer if the City has obtained all necessary entitlements and applicable permits have been issued within such three (3) year time period.</u>
- S. Section 6.1.9(d) of the Agreement is hereby amended and restated in its entirety to read as follows:
  - (d) To the extent that the Phase Option for Take Down of any of Phases 3 through 7 has not been exercised occurred within ten (10) years after the first to occur of either (i) execution and delivery of a Ground Lease for Phase 2, or (ii) execution and delivery of the first Ground Lease for Parcel 1 or Parcel 2 under Scheme C, then the initial annual Base Rent for each such Phase shall increase at the rate of three percent (3%) per annum from the end of such period until the date that the Phase Option is exercised with respect to such Phase.

- T. The following new Section 6.1.9(e) of the Agreement is hereby added to the Agreement:
  - (e) Except as may otherwise be adjusted under Section 6.1.9(a) above, the amount of initial Base Rent for a Ground Lease for Parcels 1 and 2 shall remain the same under for any Ground Lease entered into pursuant to an approved DAP for any of Scheme A, Scheme B or Scheme C with the following exception: each Ground Lease for Parcel 1 or Parcel 2 under Scheme C shall include an escalator clause substantially in the form attached hereto as *Schedule 6.1.9(e)* that will increase Base Rent if a Data Center is constructed on the applicable premises.
- U. Section 6.2.1(c) of the Agreement is hereby amended and restated in its entirety to read as follows:
  - Prior to the earlier to occur of (1) execution of the first (c) Ground Lease for the first Phase to be Taken Down, City and Master Developer shall have agreed upon the form of Master Conditions, Covenants and Restrictions (the "Master CC&Rs") that shall contain at a minimum, the provisions set forth in Exhibit H attached hereto, and such form shall have been recorded against the title of the City Landfill Parcels, the Airspace Parcels, and the Tasman Parcels prior to or concurrently with the delivery of the Ground Lease for the first Phase to be Taken Down; all or any portion of Parcels 1 or 2 for which the City has approved a DAP that relies on the Scheme C Variant densities and land uses; or (2) execution of a Ground Lease for all or any portion of Parcel 4 for which the City has approved a DAP that relies on the Scheme C Variant densities or land uses and would cause total development within Parcel 4 to exceed the maximum density (including Development Transfers allowed therein) permitted under Scheme A or Scheme B. Master Developer shall submit to the City a written election to proceed under the Scheme C Variant of the MCP and its agreement that all future DAPs will be reviewed for consistency with the Scheme C Variant.
  - V. Section 6.2.2(c) of the Agreement is hereby deleted in its entirety.
    - Prior to execution of the Ground Lease for the first Phase to be Taken Down, City and Master Developer shall have agreed upon the form of the Master CC&Rs that shall contain at a minimum, the provisions set forth in Exhibit H attached hereto, and such form shall have been recorded against the title of the City Landfill Parcels, the Airspace Parcels, and the Tasman Parcels prior to or concurrently with the delivery of the Ground Lease for the first Phase to be Taken Down. The Master CC&Rs shall name City as a third party beneficiary with respect to the provisions thereof benefitting City;
- W. Section 6.4 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 6.4 <u>Memorandum of Ground Lease and Revised Phasing Plan</u>. Upon the execution and delivery by City and the Phase Developer of theany Ground Lease

forwithin a Phase, City shall execute and deliver (i) a Memorandum of Ground Lease in recordable form in substantially the form attached to the Ground Lease, and (ii) a revised Phasing Plan which shall set forth the updated Phasing Plan that reflects the boundaries of the Phase then being Taken Down, including Multiple Ground Lease boundaries within such Phase reflecting the nomenclature described in Section 4.2.2(b). Within five (5) Business Days after execution of the Ground Lease, Master Developer shall record the Memorandum of Ground Lease in the Official Records and shall deliver to City original copies of the fully-executed Ground Lease and Memorandum of Ground Lease. The revised Phasing Plan shall be subject to Section 29.29 hereof (Plans on Record with City).

- X. Section 6.5 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 6.5 Effect of Failure of Master Developer to Take Down a Phase. Except with respect to Phases 1, 2 and 2A (and except as otherwise provided under Section 3.2.3 with respect to an Early Take Down), if Master Developer fails to Take Down any portion of a Phase by the applicable Outside Date (as it may be extended by Excusable Delay, if applicable), such failure shall not constitute a default hereunder by Master Developer but City may submit to Master Developer a Phase Termination Notice and terminate Master Developer's rights with respect to the applicable Phase (or portion thereof) in accordance with the terms of Article 7 hereof.
- Y. Section 6.6 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 6.6 <u>Concurrent Events.</u> Concurrently with the execution of each Ground Lease, City, Master Developer, and the applicable Phase Developer, as applicable, shall take the following actions:
  - 6.6.1 The applicable Phase Developer or Master Developer shall cause the Final Map for the Phase to be recorded in the Official Records; and
  - 6.6.2 The applicable Phase Developer and Master Developer shall cause the Master CC&Rs to become applicable to the Phase by causing to be recorded against such Phase an annexation in the form required under the Master CC&Rs, with such changes thereto as Master Developer, the Phase Developer and City shall mutually Approve.
  - <u>6.6</u> <u>Multiple Ground Leases within a Phase.</u>
    - 6.6.1 <u>Multiple Ground Leases Permitted; Phase Outside Dates Not Affected. Master Developer shall have the option to Take Down each Phase in Multiple Ground Leases so long as the conditions set forth in Section 4.2.2 and Section 6.2 are met or waived by the applicable Party. Take</u>

Down of any of Phase by Multiple Ground Leases shall not adjust the Phase numbers or the Phase Outside Dates for the applicable Phase.

- 6.6.2 Initial Base Rent for Multiple Ground Leases. Notwithstanding the provisions of Sections 6.1.9(a) and 6.1.9(b), above, if Master Developer Takes Down a Phase with Multiple Ground Leases, as provided in Section 4.2.2 above, the initial annual Base Rent for each Multiple Ground Lease shall be determined by multiplying the Base Rent for the applicable Phase as set forth in Section 6.1.8 (as increased, if applicable, pursuant to Section 6.1.9(d) hereof) by a fraction, the numerator of which is the gross square feet of the land area of the premises subject to the applicable Multiple Ground Lease and the denominator of which shall be the gross square feet of the land area of the Phase, as shown in the Phasing Plan for the Project as of the Reference Date. Notwithstanding the foregoing, if requested by Master Developer and subject to City approval, the Initial Base Rent may be equitably allocated amongst all Multiple Ground Leases in the applicable Phase in a different proportion so long as there shall be no decrease to the City of the annual Base Rent applicable to the entirety of the Phase.
- Z. The first two sentences of Section 7.1 of the Agreement are hereby amended and restated in its entirety to read as follows:
  - Notice of Intent to Terminate. The Schedule of Performance attached as Exhibit F hereto (which includes the Scheme C SOP Overlay) sets forth the Outside Dates for certain events over the life of the Project, including: (i) submission of Phase Option Notices for each Phase; (ii) submission of a Substantially Complete DAP for each Phase; and (iii) Taking Down each Phase (these three Outside Dates together shall be referred to herein as the "Phase Outside Dates"). Except with respect to Phases 1, 2 and 2A, if Developer fails to meet any Phase Outside Date (as it may be extended by Excusable Delay, if applicable) for all or any portion of a Phase (including any Phase within Parcels 1 and 2 that becomes subject to the Scheme C SOP Overlay), such failure shall not constitute a default hereunder by Developer, but City may notify Developer that City intends to terminate Developer's rights with respect to the portion of the applicable Phase for which Developer has not met the Outside Date in question, based on the Phase boundaries depicted in the Phasing Plan then in effect (the "Phase Termination Notice").
  - AA. The following new Section 7.3 of the Agreement is hereby added to the Agreement:
  - <u>7.3</u> Special Provisions for Parcels 1 and 2. The provisions of Section 7.1 and Section 7.2 apply equally to a failure to meet the Outside Dates in the Scheme C SOP Overlay, except as follows: If (i) the City sends Developer a Phase Termination Notice for any of the three Phases within Parcels 1 or 2 due to failure to meet the applicable Outside Dates in the Scheme C SOP Overlay, and (ii) Developer does not choose to remedy the Phase Termination Notice as provided in Section 7.1, Developer may, instead, send the City a written notice within forty-five (45) days of the City's Phase Termination Notice in which Developer agrees to forfeit one of the Scheme C Phases within Parcels 1 and 2, such

that the selected Phase will become subject to termination and the Development Opportunity under Section 7.1 and Section 7.2. Developer, at its election, may select the Phase to be forfeited provided, however, that the Parcel 2 Phase identified on the Phasing Plan as Phase 7 (i.e., the southeastern portion of Parcel 2) may only be selected if the Parcel 1 Phase (identified on the Phasing Plan as Phase 5) and the southwestern Parcel 2 Phase (identified on the Phasing Plan as Parcel 6) have not previously been Taken Down or forfeited. If Developer fails to either cure the Phase Termination Notice or make its forfeiture election within such forty-five (45) day period, the City, in its sole discretion, may select the applicable forfeiture Phase that will be subject to termination and the Development Opportunity pursuant to Section 7.1 and Section 7.2.

- BB. Section 9.1.1 of the Agreement is hereby amended and restated to replace "(subject to Excusable Delay), as relevant" with "(subject to Excusable Delay), as relevant]".
- CC. Section 9.1.4 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 9.1.4 Construction Covenants under CC&Rs and Certain Ground Leases. Without limiting Section 9.1.3, the Master CC&Rs will include a covenant requiring the construction of all buildings to be prosecuted diligently and continuously, and further requiring the owner of any work of construction that is left in an unfinished state for more than one hundred and twenty (120) consecutive days or a total of one hundred and eighty (180) days to take reasonable measures to protect public health and safety, protect the building structure from the elements and screen unsightly elements from view (such as fencing, painting or attractive screens or coverings) (the "Construction Covenant"). The City shall be a named third party beneficiary of the Construction Covenant. The Master CC&Rs shall provide the master association thereunder with a right of entry to enforce the Construction Covenant and a right to impose special assessments to recover any costs expended in connection with the enforcement thereof. If, at the time of execution of a Ground Lease, the Master CC&Rs have not yet been recorded against the applicable Ground Lease parcel, the applicable Ground Lease will include a Construction Covenant consistent with this Section 9.1.4 covering the period from the Commencement Date of the Ground Lease through recordation of the Master CC&Rs against the applicable Ground Lease premises that includes the Construction Covenant.
- DD. The following new Sections 9.4 and 9.5 of the Agreement are hereby added to the Agreement, and the numbering in the remainder of Article 9 is hereby adjusted accordingly:
  - 9.4 Form of CC&Rs; Timing. City and Developer shall agree on the form of Master Conditions, Covenants and Restrictions (as more particularly defined in Exhibit H attached hereto, the "Master CC&Rs") and record the same prior to the issuance of a Certificate of Occupancy for the first Building constructed within the Project. Each Phase shall be annexed into the first recorded set of Master CC&Rs (and Area Specific CC&Rs, if applicable), no later than the issuance of the

<u>Certificate of Occupancy for the first Building constructed within the applicable</u> Phase.

- 9.5 Subdivision Maps. A Tentative Map or Vesting Tentative Map covering all of the property within a particular Phase shall be approved by Council before Take Down of all or any portion of the applicable Phase. A Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation for the applicable Phase prior to the issuance of any certificate of occupancy for any building located within the Phase.
- EE. The words "conditions set forth in <u>Section 9.3</u>" contained in the first sentence of each of Sections 9.6 and 9.7 of the Agreement (as such section numbers have been amended pursuant to the foregoing paragraph) are hereby amended and restated in their entirety and replaced with "conditions set forth in Section 9.3 and 9.4".
- FF. Section 14.2 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 14.2 Apportionment of Costs.
  - 14.2.1 City Landfill Costs; Excluded Landfill Costs; Shared Landfill Costs.
  - (a) <u>City Landfill Costs Defined.</u> For purposes of this Agreement, the term "City Landfill Costs" includes all costs incurred by the City related to its operation and maintenance of the landfill on the Project site, but expressly excluding all of the following costs, unless, and only to the extent that, such costs are incurred as a direct result of Master Developer's construction activities or Project operations:
  - (i) Costs related to activities conducted on the City Landfill Parcels by thirdparties (e.g., 49ers parking; the BMX facilities/activities), or by other City departments or City agencies unrelated to the ongoing operation and maintenance of the landfill (e.g., City employee parking or City-sponsored special events);
  - (ii) Costs of repair or damage caused by the sole negligence or misconduct by the City or any of its employees, contractors, agents, invitees or licensees;
  - (iii) Costs related to remedial responses (including any related fines, penalties or other administrative costs) or other actions undertaken by the City due to the existence, release, migration, leakage and/or escape, transport, generation, remediation and/or mitigation of any Hazardous Materials located on, at or under the City Landfill Parcels as of the Effective Date, or that later migrate or come to be located on, at or under the City Landfill Parcels after the Effective Date, except to the extent that such remedial response was required as a result of Master Developer's Environmental Activity;
  - (iv) Costs incurred for activities on any property located outside of the City Landfill Parcels; and

- (v) Costs incurred in connection with the use and operation of the City Utility Facility parcel designated in the MCP, including the retention basin and storm drain pump station, sewer pump station, and various other public facilities located thereon.
- (b) Shared Landfill Costs. In addition, the Parties hereby agree that City Landfill Costs will include only fifty percent (50%) of costs incurred by the City for landfill operation and maintenance activities on or related to any of the City Landfill Parcels that Master Developer has either not yet Taken Down nor conducted physical construction activities of any kind thereon (but expressly excluding any costs related to items 14.1(a) (i) through (v) above) (such costs, the "Shared Landfill Costs"). As of the Second Amendment Effective Date, the City Landfill Parcels that Master Developer has either not yet Taken Down nor conducted physical construction activities of any kind thereon consist of Parcels 1 and 2.
- (c) Excluded Landfill Costs Defined. For purposes of this Section 14.2, the defined term "Excluded Landfill Costs" shall mean, collectively, (i) the items described in subsections 14.2.1(a)(i) through (v) (except to the extent that, such costs are incurred as a direct result of Master Developer's construction activities or Project operations), and (ii) the other 50% of Shared Landfill Costs not assumed by Master Developer under Section 14.2.1(b). City shall be solely responsible for all Excluded Landfill Costs without right of reimbursement.

### 14.2.2 Establishment of Initial and Adjusted Baseline.

- 14.2 Apportionment of Costs. The Parties acknowledge that the City will incur costs related to its operation and maintenance of the landfill due to the Project that will exceed its current baseline landfill operation and maintenance costs as of the date of this Agreement(a) Initial Baseline. The Parties have agreed that the amount of theas of the Effective Date (i.e., August 12, 2016), the City's baseline for City Landfill Baseline Costs is deemed to be Four Hundred Fifty Thousand Dollars (\$450,000) per year, which amount (the "Initial Baseline"). The Initial Baseline will be increased by a CPI Adjustment on each anniversary of the Reference Date of this Agreement (the "Anniversary Date") (such costs, as increased from time to time, the "Landfill Baseline Costs"). On an annual basis, commencing sixty (60) days after the first Anniversary Date, City shall provide to Master Developer a Effective Date, with the last adjustment to occur as of August 12, 2023.
- (b) Adjusted Baseline. The Parties have agreed that the City's baseline for City Landfill Costs as of August 13, 2024 is deemed to be \$650,000 (the "Adjusted Baseline"). The Adjusted Baseline will be increased by a CPI Adjustment on July 1, 2025 and each July 1 thereafter during the Term.

- 14.2.3 Apportionment of City Landfill Costs from and after July 1, 2024. This Section 14.2.3 applies only to City Landfill Costs incurred from and after July 1, 2024.
- (a) Budget Meet and Confer; City Contracting.
- Draft Budget; Meet and Confer. Commencing with City fiscal year <u>(i)</u> 2026/27, City shall provide to Master Developer its draft annual budget for City Landfill Costs for the upcoming City fiscal year promptly upon availability but in no event later than sixty (60) days before July 1.), along with reasonably detailed supporting documentation that sets forth a general description of the scope of the City Landfill Costs anticipated for the upcoming budget year. Master Developer shall have an opportunity to review and comment on the draft budget and supporting documentation. Upon Master Developer's request, City will make good faith efforts to meet and confer with Master Developer prior to July 1 and shall reasonably consider suggestions or proposals for cost and scope efficiencies that might reasonably be expected to reduce City Landfill Costs for the applicable budget year. Notwithstanding the foregoing, for fiscal year 2025/26, City shall provide Master Developer with the relevant budget and supporting information for fiscal years 2025/26 on or around the Effective Date hereof and the meet and confer process shall occur within thirty (30) days after the Second Amendment Effective Date. Notwithstanding the foregoing, the Parties acknowledge that the proposed budget is subject to review and approval by the City in its sole and absolute discretion. City shall use reasonable good faith efforts to keep Master Developer apprised during the course of each fiscal year as to budget overruns.
- (ii) Contract Tracking. With respect to any third-party contracts for City Landfill Costs, City will direct each such contractor to track its scope of work and costs in a manner reasonably designed to readily identify City Landfill Costs that are included in the Annual Landfill Statement (as defined in Section 14.2.3(b)) and those that are Excluded Landfill Costs, including identifying, to the extent appropriate and feasible, the geographic location of work undertaken by the applicable contractors. In addition, City will instruct relevant City staff working on the maintenance and operation of the landfill on the City Landfill Parcels to record time in a manner that can readily identify Excluded Landfill Costs.
- (b) Invoice and Payment. Within ninety (90) days after the end of each City fiscal year during the Term, starting with the fiscal year 2024/25, City shall provide Master Developer with a written report that includes the actual costs (the "Annual Landfill Costs")Statement") that contains, at a minimum, the following information: (i) the amount of City Landfill Costs incurred by City in connection with its obligations pursuant to this Article 14 for the previous fiscal year (including "open book" backup of such costs), an analysis of the same by a reputable engineering company or consultant, including copies of invoices); (ii) if a particular City Landfill Cost might pertain to both City Landfill Costs and Excluded Costs, an equitable allocation of such costs between City Landfill Costs and Excluded Landfill Costs; (iii) a report or certification by a qualified engineer to confirm the

costs properly reflect the City Landfill Costs calculated in accordance with this Section 14.2; and (iv) the amount by which the AnnualCity Landfill Costs exceed the Landfill Baseline Costs determined for the applicable twelve (12) month period fiscal year exceeded the Adjusted Baseline for the applicable fiscal year, subject to the maximum cap as set forth in Section 14.2.3(c) below (the "Developer Annual Landfill Payment"). Within sixty (60) days following its receipt of such report the Annual Landfill Statement, Master Developer shall deliver to City (a) reimbursement for all uncontested(a) pay the City the amount of the Developer Annual Landfill Costs set forth in such report Payment that is uncontested, plus (b) to the extent that any Annual Landfill Costs set forth in such report are contested Developer contests any amounts of the Developer's Annual Landfill Payment or the appropriateness of any City Landfill Costs contained therein (e.g., whether any of such City Landfill Costs should be excluded as an Excluded Landfill Cost), a written response to the report, which written response shall include an Annual Landfill Statement, including a reasonably detailed analysis of the contested Annual Landfill Costs by Master Developer's reputable consultant or engineering companyreasons for contest. City and Master Developer shall, for sixty (60) days after Master Developer's submittal of such written response, attempt to resolve their differences concerning any contested amounts of the Developer Annual Landfill CostsPayment; if they are unable to do so, either of them may submit the matter to arbitration as provided in Article 20.

Each year, Master Developer's obligation to reimburse City for that year's <a href="Developer">Developer</a> Annual Landfill Costs pursuant to this <a href="Section 14.2">Section 14.2</a> shall be limited to the lesser of (i) the <a href="amount by which the Developer">amount to this Section 14.2</a> shall be limited to the lesser of (i) the <a href="amount by which the Developer">amount to this Section 14.2</a> shall be limited to the lesser of (i) the <a href="amount by which the Developer">amount to time to (x)</a> One Million <a href="Three Hundred Fifty Thousand">Three Hundred Fifty Thousand</a> Dollars (\$1,000,000], 350,000), increased by a CPI Adjustment on <a href="July 1 of each Anniversary Date, minus">July 1 of each Anniversary Date, minus (y) the Landfill Baseline Costsyear, starting on July 1, 2025 (as adjusted from time to time, the "Adjusted Landfill Term Cap")</a>. Master Developer may assign this obligation without prior consent of City to the Master Owners' Association established for the Project Site, which obligation may be documented in the Master CC&Rs or other appropriate instrument recorded against the Airspace Parcels. The provisions of this <a href="Section 14.2">Section 14.2</a> shall survive any expiration or termination of this Agreement with respect to Master Developer and all Phase Developers.

14.2.4 Apportionment of City Landfill Costs before July 1, 2024. This Section 14.2.4 applies only to City Landfill Costs incurred between the Effective Date and June 30, 2024.

(a) Meet and Confer; Final Payment Amounts. Promptly upon the Second Amendment Effective Date, City and Master Developer shall meet and confer to review and agree on the amount of City Landfill Costs incurred by the City during the period between the Effective Date and June 20, 2024 (the "Initial Landfill Term"), taking into account exclusions attributable to the Excluded Landfill Costs for such period. Within ninety (90) days after the Second Amendment Effective Date (as such date may be extended by the reasonable agreement of the Parties),

the Parties shall agree on the following: (i) the total amount of City Landfill Costs incurred by City during the Initial Landfill Term; (ii) the Initial Baseline for each year of the Initial Landfill Term as adjusted on each Anniversary Date of the Effective Date; (iii) the amount by which City Landfill Costs for each year of the Initial Landfill Term exceeded the Initial Baseline, as adjusted for the applicable year, up to a maximum annual cap of One Million Dollars (\$1,000,000) as of the Effective Date, increased by a CPI Adjustment on each Anniversary Date of the Effective Date thereafter through August 12, 2023 (the "Initial Landfill Term Cap"); and (iv) the total amount due from Master Developer for the Initial Landfill Term, payable pursuant to Section 14.2.4(b) below. If the Parties are unable to agree on any of the foregoing matters within such 90-day period, either Party may submit the matter to arbitration as provided in Article 20.

- Master Developer Payment. Master Developer shall reimburse the City for <u>(b)</u> seventy-five percent (75%) of the amount by which City Landfill Costs incurred during each year or partial year of the Initial Landfill Term exceeded the Initial Baseline (as adjusted in accordance with Section 14.1.2(a)) for each applicable year or partial year), up to the applicable Initial Landfill Term Cap in effect for each applicable year or partial year (the "Initial Landfill Term Payment"). The Initial Landfill Term Payment shall be due on the later to occur of (i) thirty (30) days after the Parties agree on the amount of the Initial Landfill Term Payment under Section 14.1.4(a) (including resolution of all disputes to the extent submitted to arbitration under Article 20); and (ii) thirty (30) days after the Scheme C Entitlements become final, binding and unappealable. For avoidance of doubt, the Initial Baseline and the Initial Landfill Term Cap, as both adjusted in accordance herewith, shall remain in effect through June 30, 2024, after which time, the Adjusted Baseline and the Adjusted Landfill Term Cap shall go into effect. The last Initial Landfill Term Payment shall be for the period of August 12, 2023 through June 30, 2024.
- GG. The third sentence of Section 15.2.2(a) of the Agreement is hereby amended and restated in its entirety to read as follows:

The procedures for establishment of the Master Developer share of costs for Public Streets (which procedures may be adjusted in subsequent DAP applications by mutual agreement) shall be established in connection with the first DAP application for Phase 1 and prior to final approval of the Master CC&Rs pursuant to Section 9.4 and the ongoing funding obligation shall be reflected in the Master CC&Rs.

HH. The final sentence of Section 15.2.2(b) of the Agreement is hereby amended and restated in its entirety to read as follows:

The procedures for establishment of the Developer's costs and the Party responsible for the Park Maintenance shall be established in connection with the first DAP application for Phase 2 (which procedures may be adjusted in subsequent DAP applications by mutual agreement) shall be established prior to final approval of the Master CC&Rs pursuant to Section 9.4 and the ongoing funding obligation shall be reflected in the Master CC&Rs.

- II. Section 15.2.2(c)(ii) of the Agreement is hereby amended and restated in its entirety to read as follows:
  - Fire. City will provide appropriate fire protection services and equipment (ii) to the Project at its sole cost and expense, except as otherwise provided in this subsection (ii). At any time (at Master Developer's election) after approval of the PCLUP for the Project but in no event later than in connection with the DAP application for Phase 2, City will commission at Master Developer's expense an independent study by a third party expert jointly selected by City and Master Developer (the "Fire Protection Assessment Study") that will provide an assessment and recommendations for the level of fire protection services (equipment, FTEs and equipment replacement costs and timing) to address hazardous materials issues on the Landfill Parcel (collectively, "Fire Protection Services Obligations"). The study will also include recommendations for the timing of such equipment and FTEs in relation to the development of the Project. No later than the first DAP application to be submitted for Scheme C on either Parcel 1 or Parcel 2, as applicable, the City, in consultation with Master Developer and at Master Developer's expense, will cause the selected third-party expert to update the Fire Protection Assessment Study. Developer shall be obligated to pay the costs for Fire Protection Services Obligations at the level and in accordance with the timing set forth in the Fire Protection Assessment Study up to a maximum of 4.5 fire protection FTEs annually, one piece of equipment if recommended by the study and replacement costs for such equipment at such times as indicated by the study.
- JJ. The following new Section 22.4.2(b) of the Agreement is hereby added to the Agreement, and the numbering in the remainder of Section 22.4.2 is hereby adjusted accordingly:
  - (b) Unless this Section 22.4.2(a) is waived by the City Council in its sole discretion, if the Scheme C Variant is selected in accordance with Section 6.2.1(c), Master Developer shall not undertake a Consent Transfer for any Phase within Parcels 1 and 2 until the Infrastructure in the applicable Phase is Substantially Complete, unless all of the following conditions are satisfied (which conditions shall be in addition to, and not in lieu of, all other conditions applicable to a Consent Transfer) (a Consent Transfer meeting these requirements, a "Scheme C Consent Transfer"):
  - (i) Master Developer has provided evidence reasonably satisfactory to the City that Master Developer will continue to maintain an active and continuing ownership or management role in the development of the applicable Phase;
  - (ii) In evaluating the qualifications of the Transferee Team and the satisfaction of the Experience Requirement, the City is reasonably satisfied that the proposed Phase Developer has the requisite experience in the ownership, operation, management and development of light industrial uses at a scale and quality as necessary to fully comply with the applicable standards and guidelines of the MCP; and

- (iii) The Consent Transfer will not result in a release of Master Developer under Section 22.7 with respect to the obligations hereunder with respect to the Transferred Phase.
- KK. The first sentence of Section 22.5.2 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 22.5.2 <u>City's Consent; Standards</u>. The withholding or conditioning of City's consent to any proposed Consent Transfer shall be reasonable and shall be based solely on one or more of the following criteria (and, with respect to a Scheme C Consent Transfer, the additional conditions specified in Section 22.4.2(b)):
- LL. Section 24.1.1 of the Agreement is hereby amended and restated in its entirety to read as follows:
  - 24.1.1 "Force Majeure" means any delay suffered by a Party in performing an obligation, exercising a right or meeting a deadline under any of the Project Documents to the extent such delay is caused by any of the following: war; acts of terrorism; insurrection; strikes or lock-outs not caused by, or outside the reasonable control of, the Party claiming an extension; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation not caused by, or outside the reasonable control of, the Party claiming an extension; governmental restrictions or priority; environmental conditions existing or discovered on or affecting the Project Site or any portion thereof, including those resulting from the investigation or remediation of such conditions; litigation that enjoins construction or other work on the Project Site or any portion thereof, causes a lender to refuse to fund a loan or to accelerate payment on a loan, or would cause a reasonably prudent developer either to forbear from commencing construction or other work on the Project Site or any Phase or portion thereof or to suspend construction or other work; marketwide disruptions in (i) the public or private financing markets that delay or materially increase the cost of public or private financing for the Project; to the extent such public financing was reasonably anticipated by Master Developer in a Financing Plan submitted under Section 5.1.2 in connection with its construction of public improvements, or (ii) in the private financing markets due to market-wide financial crises (such as the 2008 Global Financial Crises; the S&L Crisis of the 1980s; or fallout from the COVID-19 pandemic) that materially limit or delay the availability of private financing (items (i) and (ii) collectively, "Market-Wide **Disruptions**"); unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; moratorium, as defined in California Government Code Section 66452.6(f); litigation, ballot measures or referenda challenging City's or another regulatory body's approval of the Project (or any part thereof) or any of the Project Documents; the inability to obtain on a timely basis other approvals required for commencement and completion of the improvements contemplated for the Project (assuming that Developer is using commercially reasonable efforts to obtain such approvals); actions or inquiries by a Governmental Authority that results in a delay; the

occurrence of Landfill or other construction cost premiums that render development of a Parcel or portion thereof commercially uneconomic; and delays caused by the City's inability to comply with its obligations regarding title under <u>Article 13</u> hereof. Without limiting the foregoing, (1) the time for performance of Developer's obligations to submit a Substantially Complete DAP application and to Take Down land for any particular Phase under the Schedule of Performance shall be extended for each day that the City exceeds its review and approval periods for the applicable DAP application as set forth in the DAP Procedures; and (2) the time for performance of Developer's obligations to meet the outside dates set forth in the Phase Schedule of Performance for an applicable Phase shall be extended for each day that the City exceeds its review and approval periods for the applicable architectural review application as set forth in the DAP Procedures.

MM. Section 24.1.3 of the Agreement is hereby amended and restated in its entirety to read as follows:

24.1.3 Notwithstanding anything to the contrary in this <u>Section 24.1</u>, the following shall not be Excusable Delay: (1) the lack of credit or financing, unless such lack is the result of Materially Adverse Economic Conditions <u>or arises in connection with a Market-Wide Disruption</u>; or (2) the appointment of a receiver to take possession of the assets of Developer, an assignment by Developer, for the benefit of creditors, or any other action taken or suffered by Developer under any insolvency, bankruptcy, reorganization, moratorium or other debtor relief act or statute.

NN. The following new Section 24.1.4 of the Agreement is hereby added to the Agreement:

24.1.4 Notwithstanding anything to the contrary in this Section 24.1, if Developer elects to proceed with Scheme C, the occurrence of Materially Adverse Economic Conditions shall not be an Excusable Delay with respect to any future dates on the Schedule of Performance applicable to Parcels 1 and 2.

OO. Section 24.2 of the Agreement is hereby amended and restated in its entirety to read as follows:

24.2 <u>Period of Excusable Delay or Force Majeure.</u> The period of an Excusable Delay or Force Majeure shall commence to run from the time of the commencement of the cause and, subject to Section 24.3 hereof, shall run for the duration of the event of Excusable Delay or Force Majeure. The Party claiming Excusable Delay or Force Majeure shall provide notice to the other applicable Parties of such Excusable Delay or Force Majeure within a reasonable time following the commencement of the cause. If, however, notice by the Party claiming such extension is sent to the other Parties more than sixty (60) days after the commencement of the cause, the period shall commence to run only sixty (60) days before the giving of such notice, provided that the Party claiming the extension gives notice within a reasonable time following the commencement of the cause.

No extension for Excusable Delay or Force Majeure shall cause any future dates in the Schedule of Performance applicable to the Party claiming Excusable Delay or Force Majeure, or other date for performance occurring after the date of the notice, to be extended (in each case as they may otherwise be extended), unless such future dates are eligible to be extended in their own right by reason of Excusable Delay or Force Majeure. Notwithstanding the foregoing, extensions for an Excusable Delay or Force Majeure obligation in the Schedule of Performance shall serve to extend other Schedule of Performance obligations within the same Phase if such dates for performance are directly tied to each other in the Schedule of Performance. Notwithstanding anything to the contrary in this Article 24, Master Developer or any applicable Phase Developer shall not be entitled (A) to abandon any portion of the Project Site that it has Taken Down or where it has Commenced Initial Improvements without first taking appropriate measures to leave the property in good and safe condition, (B) to extend the Outside Dates for the Completion of Initial Improvements or other Improvements that have Commenced to the extent that Excusable Delay or Force Majeure is not related to such activities, (C) to cease paying taxes or assessments on any real property it owns within the Project Site, (D) to avoid the obligation to maintain in effect Adequate Security or other financial assurances, (E) to avoid or delay its obligations to construct the Initial Improvements, except to the extent an Excusable Delay or Force Majeure relates to Master Developer's or the applicable Phase Developer's obligations for such construction, or (F) to avoid or delay its payment of the Financial Obligations.

PP. Exhibit A of the Agreement is hereby amended to modify and/or add the following definitions in appropriate alphabetical order:

"Building" means each physical structure located within a Phase that is intended for human occupancy or the conduct of a business, including hotels, retail, <u>light industrial</u> and office space and apartments.

"Environmental Activity" means any storage, installation, existence, release, threatened release, discharge, generation, abatement, removal, disposal, handling or transportation from, under, into or on the City Landfill Parcels of any Hazardous Material.

"Hazardous Material" means any material, waste, chemical, compound, substance, mixture, or byproduct that is identified, defined, designated, listed, restricted or otherwise regulated under Environmental Laws as a "hazardous constituent", "hazardous substance", "hazardous waste constituent", "infectious waste", "medical waste", "biohazardous waste", "extremely hazardous waste", "pollutant", "toxic pollutant", or "contaminant", or any other designation intended to classify substances by reason of properties that are deleterious to the environment, natural resources, wildlife or human health or safety, including, without limitation, ignitability, infectiousness, corrosiveness, radioactivity, carcinogenicity, toxicity and reproductive toxicity. Hazardous Material includes, without limitation, any form of natural gas, petroleum products or any fraction thereof, asbestos, asbestos-containing materials, PCBs, PCB-containing materials,

and any substance that, due to its characteristics or interaction with one or more other materials, wastes, chemicals, compounds, substances, mixtures or byproducts, damages or threatens to damage the environment, natural resources, wildlife or human health or safety.

"Master CC&Rs" is defined in Section 6.2.1(c)9.4.

## "Ped/Bike Connection" is defined in Section 5.3.8.

"Phase Developer" means, with respect to a Phase (or Partial Phase <u>or Multiple Ground Lease</u>), the developer thereof (which may include Master Developer) and the tenant under the Ground Lease for such Phase <u>or Multiple Ground Lease</u>, as such Person is determined under Article 3 or, following a permitted transfer of such Person's rights and obligations under such Ground Lease, means such transferee.

"Scheme C" or the "Scheme C Variant" means the Scheme C Variant as described in Master Community Plan Scheme C Supplement, approved by the City Council on , 2025 by Resolution No. .

"Scheme C Entitlements" means the City Council Ordinances and Resolutions referenced in Recital D to this Second Amendment.

"Second Amendment Effective Date" means the date that the Second Amendment to Disposition and Development Agreement is approved by the City Council.

- QQ. Schedule 3.2.3 attached hereto is hereby appended to the Agreement and becomes a part thereof.
- RR. Schedule 6.1.9(3) attached hereto is hereby appended to the Agreement and becomes a part thereof.
- SS. Exhibit F attached hereto amends and restates Exhibit F of the Agreement in its entirety, including adding the Schedule of Performance Scheme C Overlay.

### II. Miscellaneous

- A. <u>Entire Agreement</u>. This Second Amendment, together with the Agreement, constitutes the entire understanding and agreement between the Parties with respect to the subject matter contained herein. All other terms and conditions of the Agreement shall remain in full force and effect.
- B. <u>Binding Effect</u>. This Second Amendment shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns.
- C. <u>Governing Law</u>. This Second Amendment shall be interpreted, construed, and enforced in accordance with the laws of the State of California.

**IN WITNESS WHEREOF,** the Parties hereto have executed this Second Amendment as of the date first set forth above.

CITY	
CITY OF SANTA CLARA, a municipal corporation	
By:	
Name: Jovan Grogan	
Title: City Manager	
Approved as to form: By:	
Name: Glen Googins	
Title: City Attorney	
Approved on, 2025	
City Council Resolution No	

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

## **DEVELOPER**

RELATED SANTA CLARA, LLC,
a California limited liability company

By:	
Name:	
Title:	

## **ACKNOWLEDGMENT**

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	)	
Onpersonally appeared	before me,	, a Notary Public,
who proved to me on subscribed to the with in his/her/their author	the basis of satisfactory evidence to hin instrument and acknowledged to	be the person(s) whose name(s) is/are me that he/she/they executed the same/their signature(s) on the instrument the acted, executed the instrument.
I certify under PENA foregoing paragraph i		ws of the State of California that the
WITNESS my hand a	and official seal.	
Signatura	(Sac	5.1)

### **ACKNOWLEDGMENT**

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	)	
Onpersonally appeared	before me,	, a Notary Public,
who proved to me or subscribed to the wit in his/her/their author	the basis of satisfactory evidence to be thin instrument and acknowledged to mrized capacity(ies), and that by his/her/th ty upon behalf of which the person(s) ac	he that he/she/they executed the same neir signature(s) on the instrument the
I certify under PEN foregoing paragraph	ALTY OF PERJURY under the laws is true and correct.	s of the State of California that the
WITNESS my hand	and official seal.	
Signatura	(See 1)	

### SCHEDULE 3.2.3

### **Examples of Early Take Down Scenarios**

## 1. <u>Assumptions</u>

The Outside Date in the Exhibit F Schedule of Performance for Land Take Down for Phase 2 is December 23, 2027, but remains subject to further extension by Excusable Delay.

The Outside Date in the Scheme C SOP Overlay for Land Take Down for the first Phase within Parcels 1 or 2 is November 19, 2028.

## **<u>2.</u> <u>Examples</u>**

Example 1: Scheme C SOP Overlay Not Triggered. Master Developer complies with the Exhibit F Schedule of Performance for Phase 2 by causing Land Take Down for Phase 2 by December 23, 2027. In such case, the Scheme C SOP Overlay no longer applies and all future Phases remain governed by the Exhibit F Schedule of Performance.

Example 2: Scheme C SOP Overlay Triggered; Master Developer Meets Outside Date for Parcel 1 or 2 Land Take Down. The Outside Date for Phase 2 Land Take Down is extended by reason of Excusable Delay through December 23, 2029. In order to retain its Take Down rights to Parcels 1 and 2 under Scheme C, Master Developer must Take Down the first Phase within Parcels 1 or 2 by November 19, 2028 (with Outside Dates for Phase Option Notice and DAP Submittal to occur 8 and 4 months prior, respectively). Thereafter, the next Outside Date will be December 23, 2029 for Phase 2 Land Take Down. Once Phase 2 is Taken Down in time, all future Schedule of Performance Dates will be as set forth on the original Exhibit F Schedule of Performance. However, if the Outside Date for Phase 2 is further extended beyond November 19, 2031 (3 years after Parcel 1 or 2 Take Down), the next applicable Land Take Down Outside Date will be November 19, 2031 for the second Phase within Parcels 1 or 2 (with Outside Dates for Phase Option Notice and DAP Submittal to occur 8 and 4 months prior, respectively).

Example 3: Scheme C SOP Overlay Triggered; Master Developer Fails to Meet Outside Date for Parcel 1 or 2 Land Take Down. The Outside Date for Phase 2 Land Take Down is extended by reason of Excusable Delay through December 23, 2029. If Master Developer fails to Take Down the first Phase within Parcels 1 or 2 by November 19, 2028, then one of the Phases in Parcel 1 or 2 will revert to City, as provided in Section 7.3. Thereafter, the next Outside Date will be December 23, 2029 for Land Take Down for Phase 2. If the Outside Date for Phase 2 Land Take Down is not further extended for Excusable Delay, then so long as Master Developer Takes Down Phase 2 by December 23, 2029, all future Schedule of Performance Dates will be as set forth on the original Exhibit F Schedule of Performance. However, if Master Developer fails to Take Down Phase 2 by December 23, 2029, City may exercise its termination remedies under Section 7.3.

### **SCHEDULE 6.1.9(3)**

# For any Ground Lease on Parcels 1 or 2, if Scheme C is selected, insert the following new Section 3.3.4 into the Ground Lease:

### 3.3.4 Adjustments to Base Rent for Data Center Development

If Tenant uses, or enters into any Sublease for the use of, the Premises or any portion thereof for a Data Center (as defined in the MCP), then effective upon the issuance of a building permit for the Data Center (the "Data Center Rent Escalation Date"), the Base Rent attributable to the parcel of land on which the Data Center is located shall automatically increase by one hundred percent of the amount in effect immediately prior to the Data Center Rent Escalation Date. If the Data Center parcel occupies a legal parcel that is less than the entirety of the Premises, then the Base Rent escalation shall be calculated by multiplying the Base Rent in effect immediately prior to the Data Center Rent Escalation Date by a fraction, the numerator of which is the square footage of the Data Center parcel and the denominator of which is the total square footage of the Premises. Within thirty (30) days after the Data Center Rent Escalation Date: (i) City and Tenant shall execute and exchange an instrument confirming the new Base Rent retroactive to the Data Center Rent Escalation Date, but the failure of either party to execute such instrument shall not affect the effectiveness of the Base Rent escalation; and (ii) Tenant shall pay to City the applicable Base Rent increase for the applicable Lease Year, prorated on the basis of twelve months of thirty (30) days each for the remainder of the applicable Lease Year.

### **EXHIBIT F**

## Schedule of Performance - General<sup>1</sup>

Adjusted for Materially Adverse Economic Condition ending November 30, 2025 (subject to continuation pursuant to DDA)

Take Down Phase	Outside Date for Phase Option Notice <sup>2</sup>	Outside Date for first DAP Submittal	Outside Date for Land <u>Take Down</u>	
<u>1</u> <sup>3</sup>	<u>N/A*</u>	<u>N/A*</u>	<u>N/A*</u>	<u>V</u>
<u>2</u> 5	<u>N/A*</u>	<u>N/A*</u>	<u>December 23, 2027</u>	<u>V</u>
Phase 2A	Three (3) months prior to Outside Date for Land Take Down	<u>n/a</u>	The earlier to occur of: (i)  12 months after Commencement of construction of any residential buildings within Phase 2; or (ii) 24 months from the Commencement of Infrastructure within	
<u>3</u>	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	4 years after Actual Phase 2 Take Down	
<u>4</u>	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	5 years after Actual Phase 3 Take Down	-

<sup>&</sup>lt;sup>1</sup> All Outside Dates are subject to extension for Excusable Delay in accordance with the DDA other than any Take Down Phase located on Parcels 1 or 2, which Outside Dates shall only be subject to Force Majeure.

Notwithstanding the Outside Dates for Phase Option Notice, for any Phase or Partial Phase on which the BMX Track is located and operational, Developer shall provide a Phase Option Notice no less than twelve (12) months prior to the Outside Date for Take Down of such Phase of Partial Phase as required by Section 4.3 of the DDA.

<sup>&</sup>lt;sup>3</sup> All references to Phase 1 are to the Phase 1 shown in the Phasing Plan for the Project approved by the City by letter dated December 19, 2022.

<sup>4</sup> For clarification, because Excusable Delay has been in effect since Actual Take Down of Phase 1, the Outside Date for Commencement of Construction of Infrastructure on Phase 1 shall be 2 years after the Excusable Delay ends, subject to future periods of Excusable Delay, if applicable.

<sup>&</sup>lt;sup>5</sup> All references to Phase 2 are to the Phase 2 shown in the Phasing Plan for the Project approved by the City by letter dated December 19, 2022.

<sup>\*</sup> For Phases 1 and 2, the Phase Option Notice and DAP have already been submitted, and Take Down of Phase 1 occurred December 20, 2022.

<u>5</u>	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down  Date	3 years after Actual Phase 4 Take Down
<u>6</u>	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down  Date	2 years after Actual Phase 5 Take Down
<u> </u>	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down  Date	2 years after Actual Phase 6 Take Down

## SCHEDULE OF PERFORMANCE – SCHEME C OVERLAY

Take Down Phase	Outside Date for Phase Option Notice	Outside Date for first DAP Submittal	Outside Date for Land Take Down	Outside Date for Commencement of Construction of Infrastructure
First Phase of Scheme C Parcels 1 and 2	8 Months prior to Outside Date for Land Take Down	Four (4) months prior to Outside Date for Land Take Down	3 years after the date that the Schedule C Entitlements have become final, binding and non-appealable	Within 1 year after Actual Take Down of the first Scheme C Parcel
Second Phase of Scheme C Parcels 1 and 2	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	3 years after the Actual Take Down of the first Scheme C Parcel	Within 1 year after Actual Take Down of the applicable Scheme C Parcel
Last Phase of Scheme C Parcels 1 and 2	Eight (8) months prior to Outside Date for Land Take Down	Four (4) months prior to Required Land Take Down Date	3 years after the Actual Take Down of the first Scheme C Parcel	Within 1 year after Actual Take Down of the applicable Scheme C Parcel

From: Afshan Hamid Nimisha Agrawal To: Cc: Lesley Xavier

Subject: Public Comment: Related Data Center Opposition

Date: Tuesday, May 13, 2025 1:41:57 PM

Attachments: image002.png

image003.png image004.png image005.png image006.png image007.png image008.png image009.png

Please save email for PC and CC public comments.

### **AFSHAN HAMID**

Director | Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 Direct: 408-615-5670 | ahamid@santaclaraca.gov







From: <a href="mailto:brendanpcroom@yahoo.com">brendanpcroom@yahoo.com</a>>

**Sent:** Monday, May 12, 2025 4:23 PM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov>

**Subject:** Related Data Center Opposition

You don't often get email from <u>brendanpcroom@yahoo.com</u>. <u>Learn why this is important</u>

Dear Mayor and City Council,

I am writing to express my opposition to allowing Related to replace some of the planned mixed-use space with a data center.

This project has been touted as the new city center. A city center should be a location that is desirable to visit, and therefore consists of shops, restaurants, and places of employment. A data center does not provide any of the desired characteristics of a city center as it would take away available space and fill it with servers. No one has ever said they want to go downtown to check out the nice data centers they have there. If the project is truly to be a city center, then it should be populated with what attracts people: shops, restaurants, and entertainment.

Please oppose allowing Related to build a data center in the Related Santa Clara space.

Thanks. Brendan Croom North Santa Clara resident

## Nimisha Agrawal

**From:** Afshan Hamid

**Sent:** Tuesday, May 13, 2025 1:46 PM

To: Nimisha Agrawal

Cc: Lesley Xavier; Elizabeth Elliott

**Subject:** Public Comments: Proposed data center

Please save comments for PC and CC

#### **AFSHAN HAMID**

Director | Community Development Department 1500 Warburton Avenue | Santa Clara, CA 95050 Direct: 408-615-5670 | ahamid@santaclaraca.gov

----Original Message-----

From: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Sent: Monday, May 12, 2025 3:36 PM

To: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Subject: FW: Proposed data center

Dear Mayor and Council,

We received the following email which we are forwarding for your reference.

Thank You,
Melissa Lee | Executive Assistant
Mayor & Council Offices | City of Santa Clara
(408) 615-2252

https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.santaclaraca.gov%2F&data=05%7C02%7C NAgrawal%40SantaClaraCA.gov%7Ce7d62e5915bf46b394c508dd925f2cbb%7C28ea354810694e81aa0b6e4b3271a5cb%7C0%7C0%7C638827659645428872%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUslIYiOilwLjAuMDAw MCIslIAiOiJXaW4zMilsIkFOIjoiTWFpbCIslIdUIjoyfQ%3D%3D%7C0%7C%7C%7C&sdata=yHpimkGQ6yYIB6qhzjOorTteyx0qo VBNet46gA6afIU%3D&reserved=0

----Original Message-----

From: Irene Brumbaugh <imuff@yahoo.com>

Sent: Sunday, May 11, 2025 1:24 PM

To: Mayor and Council <MAYORANDCOUNCIL@SantaClaraCA.gov>

Subject: Proposed data center

[You don't often get email from imuff@yahoo.com. Learn why this is important at https://aka.ms/LearnAboutSenderIdentification ]

As a nearby resident I am opposed to data centers in the "Related" development area. The original plan for retail, residential and recreational areas is much preferred.

Thank you Irene Brumbaugh Sent from my iPhone From: <u>PlanningCommission</u>

To: <u>Mary Grizzle</u>; <u>Jovan Grogan</u>; <u>Mayor and Council</u>

Cc: <u>PlanningCommission</u>; <u>Afshan Hamid</u>; <u>Lesley Xavier</u>; <u>Nimisha Agrawal</u>

Subject: RE: Data Centers

**Date:** Wednesday, May 14, 2025 10:13:06 AM

Attachments: <u>image001.png</u>

image003.png

### Good Morning Mary,

This is to confirm your email has been received in the Planning Division and will be provided to Planning Commissioners for their information.

Thank you for taking the time to provide your input.

Regards,

### ELIZABETH ELLIOTT | Staff Aide II

Community Development Department | Planning Division 1500 Warburton Avenue | Santa Clara, CA 95050 O: 408.615.2450 Direct: 408.615.2474

From: Mary Grizzle <mogrizzle2@gmail.com> Sent: Wednesday, May 14, 2025 10:00 AM

**To:** Jovan Grogan <JGrogan@Santaclaraca.gov>; Mayor and Council

<MAYORANDCOUNCIL@SantaClaraCA.gov>

Cc: PlanningCommission <PLANNINGCOMMISSION@santaclaraca.gov>

**Subject:** Data Centers

Honorable Mayor and Councilmembers,

I'm here today to express strong opposition to the continued approval and expansion of data centers in Santa Clara.

Our city has become a magnet for these massive, windowless buildings—many of which are built on prime land that could be used for housing, public services, or a long-overdue, vibrant downtown. These data centers consume acres of land, provide very few jobs, and return little in the way of civic or cultural benefit.

They don't bring life to our neighborhoods. They bring noise, diesel emissions from backup generators, enormous water and energy consumption, and they offer no walkability, no retail, and no "there there" for the people who call Santa Clara home.

The continued overreliance on data centers is a short-term economic strategy with long-term consequences. Each one we approve is a lost opportunity to build housing, local businesses, parks, or public facilities like a new City Hall or courthouse that would serve real people, not servers.

As a lifelong advocate for our community, I urge you to consider this: Do we want Santa Clara to be a hub of community life—or a hub of warehouses for tech giants?

I ask this Council to pause further approvals of data centers and begin a serious conversation about long-term land use priorities that benefit residents, not just corporations.

Respectfully, Mary Grizzle From: Nimisha Agrawal
To: Nimisha Agrawal

Subject: RE: Public Comment FW: Related Santa Clara / City Place

**Date:** Wednesday, May 28, 2025 9:30:43 AM

Attachments: image001.png

image004.png image003.png

From: PlanningCommission

**Sent:** Monday, May 19, 2025 3:06 PM

**To:** 'une vagabonde' < <u>une.vagabonde@gmail.com</u>>; Mayor and Council

< MAYORANDCOUNCIL@SantaClaraCA.gov >; PlanningCommission

<<u>PLANNINGCOMMISSION@santaclaraca.gov</u>>; Public Comment

<<u>PublicComment@santaclaraca.gov</u>>; Afshan Hamid <<u>AHamid@Santaclaraca.gov</u>>; Lesley Xavier

<<u>LXavier@santaclaraca.gov</u>>

**Subject:** RE: Related Santa Clara / City Place

Good Afternoon Thanh,

Your email has been received in the Planning Division and by way of my reply I am including the appropriate staff for their review.

Thank you for taking the time to provide your comments.

#### ELIZABETH ELLIOTT | Staff Aide II

Community Development Department | Planning Division 1500 Warburton Avenue | Santa Clara, CA 95050 O: 408.615.2450 Direct: 408.615.2474

From: une vagabonde < une.vagabonde@gmail.com >

**Sent:** Monday, May 19, 2025 9:25 AM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov >; PlanningCommission

< <u>PLANNINGCOMMISSION@santaclaraca.gov</u>>; Public Comment

<<u>PublicComment@santaclaraca.gov</u>>

**Subject:** Re: Related Santa Clara / City Place

Some people who received this message don't often get email from <u>une.vagabonde@gmail.com</u>. <u>Learn why this is important</u>

Thank you council members for your time to fill in my knowledge gaps and provide insights from your perspective.

I've had the chance to speak up at a recent City Council meeting and met with several council members. I've learned quite a bit over the last 12 days. Writing

this petition was to stand against the planning of large intrusive data centers popping up in Santa Clara and truly design and build around people. What I read in Silicon Valley Voice, "The new proposal would replace much of the office and retail space with light industrial space that would host data centers, " and then reading of Alviso's Journey from entertainment district to data center hub, **here**, **here** and **here**: and large data centers behind Bracher Park and Scott/Monroe was the catalyst for this petition. With that, our council member shared that our data centers come in various sizes and the city won't be able to provide power to every data center that wants to come in, so what would go into the Related Santa Clara project is a **2-story data center** (page 55 & 57) and not the 4 story, 486,000 square feet data centers next to our parks and behind our homes. This zoning code and land use change would attract businesses to come in and data centers help with the technology advancements we see in our communities today. Our communities, though, will see two more approved large data centers in the next few years, 2305 Bowers and 1231 Comstock. If it helps, the 2305 Bowers Ave building has some design aesthetics that look less sterile than other established data centers. It'd still be nice if those large canvas walls turned into works of art.

Another major takeaway from this process was our council members' welcome and encouragement to speak up and to continue to be civically engaged. I loved serving on our Bicycle and Pedestrian Advisory Committee in the past and appreciated all the learning that came out of this process.

With this, I've closed my petition.

Sincerely,

Thanh

On Mon, May 12, 2025 at 6:42 PM une vagabonde < une.vagabonde@gmail.com > wrote:

Thank you for the receipt. Could you tack on a better draft of the last message? Thank you for all you do!

Updated:

Dear Santa Clara City Council Members and Fellow Residents,

As a resident of Santa Clara, continuously learning, found the project site notices, I am

again writing to express my strong opposition to the continued development of data centers within our city. While I understand the technological advancements that drive the need for such facilities, I believe that their proliferation in Santa Clara comes at a significant cost to the well-being, character, and future of our community. Please don't support a General Plan Amendment (to permit light industrial uses on Parcels), please don't support a Zoning Ordinance Amendment to MC-CP Zoning (to permit light industrial uses on Parcels 1 & 2) and please don't support the MCP Amendment (new Scheme C Variant Supplemental Chapter).

I urge you to carefully consider the following critical points as you evaluate future proposals for data center development:

- Data centers create sterile environments, devoid of life and public interaction. Designing spaces that actively exclude community engagement does not serve the best interests of Santa Clara. Our city needs vibrant spaces that foster community connections, support healthy aging, and encourage active lifestyles for all residents. Data centers offer no such benefit; they are essentially closed boxes that contribute nothing to the social fabric of our neighborhoods.
- Data centers are disproportionately sited in Communities of Concern. Historically, these facilities in Santa Clara have been located in areas designated for Light Industrial use, which tragically often overlap with areas identified in our own Bicycle Master Plan (Figure 6) as "Communities of Concern." Furthermore, as highlighted by my map or a more comprehensive listing here (https://www.datacentermap.com/usa/california/santa-clara/), these areas are often predominantly Hispanic. This pattern raises serious environmental justice concerns, suggesting a disproportionate distribution of burdens onto specific segments of our population. This inequitable distribution is particularly concerning when considering the City's own standards for parkland. The Parks & Recreation Department has established "research based best practices to create a Public Park Amenity & Design Standard for planning of new and expanded play spaces, with the goal of providing 2.53 acres of parkland for every 1,000 residents." We must ask: Is this an equitable standard for neighborhoods across Santa Clara, especially those already burdened by industrial uses like data centers? By prioritizing data center development in these areas, are we further depriving residents of essential amenities like parks, which contribute significantly to quality of life and community well-being?
- Data centers undermine our commitment to smart growth and housing. Our General Plan clearly prioritizes the development of more housing along Tasman Drive (Section 5.2.3, Priority Development Areas), accompanied by the amenities and services necessary to support a pedestrian-friendly environment with robust transit options. Data centers directly contradict this vision, occupying valuable land that could otherwise be used for much-needed housing and community-serving businesses.
- Data centers erode the unique character of our neighborhoods. The General Plan explicitly aims to "Preserve the unique character and identity of neighborhoods through community-initiated neighborhood planning and design elements incorporated in new development" (Section 5.3.1-P1). The monolithic and isolated nature of data centers offers no opportunity for community input or the incorporation of design elements that reflect the distinct identities of our neighborhoods.

• Locating industrial uses with potential hazards near sensitive receptors is unacceptable. The General Plan (page 90) itself acknowledges that light industrial uses "may be noxious or include hazardous materials and may negatively impact sensitive receptors, like children and the elderly." Planning such facilities next to parks, where our children gather and play, is a direct contradiction of our community's responsibility to protect its most vulnerable members.

Beyond these local impacts, I believe we must also consider the broader environmental and economic consequences:

- Data centers place a significant burden on our electricity ratepayers. The immense energy demands of these facilities can lead to increased costs for all electricity consumers in our region. (Source)
- The environmental and health costs of data centers are alarming. Recent research from the California Institute of Technology and UC Riverside indicates that by 2030, data centers in California could contribute to 1,300 premature deaths and \$20 billion in health care costs, with greenhouse gas emissions rivaling those of all cars in the state. Furthermore, a Morgan Stanley report last fall projected that the global data center industry could produce 40% of annual U.S. emissions within five years. These are staggering figures that cannot be ignored. (Source and Source)

Santa Clara has the opportunity to prioritize development that truly benefits all its residents – development that fosters community, provides housing, respects our neighborhoods, and safeguards our environment and health. I urge our City Council to stand with the community and reject further data center development in Santa Clara. Let us focus on building a city where people can thrive, not just servers.

Sincerely,

Thanh Do, a Concerned Resident of Santa Clara

On Mon, May 12, 2025 at 3:31 PM Mayor and Council <a href="MAYORANDCOUNCIL@santaclaraca.gov">MAYORANDCOUNCIL@santaclaraca.gov</a> wrote:

Hello

Our office confirms receipt of your email which has been forwarded to the full City Council for their review.

Thank You,
Melissa Lee | Executive Assistant
Mayor & Council Offices | City of Santa Clara
(408) 615-2252 | www.santaclaraca.gov



**From:** une vagabonde < une.vagabonde@gmail.com >

**Sent:** Friday, May 9, 2025 6:21 PM

To: Mayor and Council < MAYORANDCOUNCIL@SantaClaraCA.gov>

**Subject:** Related Santa Clara / City Place

You don't often get email from une.vagabonde@gmail.com. Learn why this is important

Dear Mayor Gillmor and Council Members,

My name is Thanh, and I reside in the neighborhood located between Bracher school and Wilcox. I am writing to express my concerns regarding the increasing presence and location of data centers in our city.

I have observed the significant data centers constructed in recent years behind Bracher Park and in the Scott/Monroe neighborhoods. Based on my own map analysis, I've noted that data centers in Santa Clara are largely concentrated in the central area. This region frequently overlaps with areas identified as "Communities of Concern," which experience disproportionate environmental burdens, and also falls within areas highlighted in our Bicycle Master Plan (Figure 6). According to 2010 data, this central area is also predominantly Hispanic.

My concern extends to the proposed data center conversion at the Related development site near Levi's Stadium. This location is in a predominantly Asian area (2010 data). The site was originally planned as a substantial 3 million square foot mixed-use project – significantly larger than Santana Row – designed to include retail, restaurants, hotels, and residential units. Converting this space into a data center would replace a potentially vibrant, publicly accessible area with a facility that inherently offers no public life or activity, both inside and out.

Given the increasing housing density in North Santa Clara and the critical lack of open space, I urge you to completely deny the proposed switch of the Related development to a data center. As a team dedicated to public service and the well-being of residents, I hope it is clear that designing spaces devoid of life and public interaction is not in the best interest of our community. We need spaces that allow our communities to thrive, age well, and remain healthy and active.

While it may be too late to alter the existing large buildings behind our homes and parks, perhaps these structures could be viewed as blank canvases. I suggest exploring opportunities for large-scale murals that could feature and elevate the work of local artists, adding some visual interest and community connection to these otherwise sterile facades.

For your reference, here are the links I consulted:

Santa Clara Bicycle Master Plan:
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>
 <a href="https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688">https://www.santaclaraca.gov/home/showpublisheddocument/63506/63688</a>

Draft Data Centers mapped in Santa Clara:
 <a href="https://www.arcgis.com/apps/mapviewer/index.html?">https://www.arcgis.com/apps/mapviewer/index.html?</a>
 <a href="https://www.arcgis.com/apps/mapviewer/index.html?">webmap=461e84c6471f44f2b4c855a575ba762e</a>

Thank you for your time and consideration of this important matter. Please also let me know if you feel my analysis is off.

Sincerely,

Thanh

Pilot Knob Dr, Santa Clara

Former BPAC member (2018-2020)

From: <u>D Kasses</u>
To: <u>Nimisha Agrawal</u>

Subject: Re: 6/11 Planning Commission Hearing - Related Santa Clara project

**Date:** Wednesday, June 11, 2025 8:59:52 PM

Attachments: <u>image001.png</u>

Hi,

I live a few feet from property of interest in 25-428 and a 5 minute walk from parcels 5, 4 and 2 in 25-402. I was able to remotely attend, see the plans and maps, and found it quite informative. I attended some of the Related Santa Clara info meetings and saw their artist renderings and listened to their promises, but some the questions and comments posed by the commission in this meeting cut through the fluff and highlighted some of the aspects glossed over in those other meetings held by Related. I just wanted to say thank you for the agenda and the link to the Zoom meeting.

Thanks, David Kasses

On Mon, Jun 9, 2025 at 3:27 PM Nimisha Agrawal < NAgrawal@santaclaraca.gov > wrote:

Good Afternoon,

You had requested to be on the interested parties list or had provided comments on the Related Santa Clara project. This is to let you know that the project is scheduled for the Planning Commission Hearing on June 11, 2025. The agenda for the Planning Commission Meeting has been published and is available here: Agenda.

Thanks,

Nimisha Agrawal | Senior Planner

Community Development Department

1500 Warburton Avenue | Santa Clara, CA 95050

O:408.615.2450 | D: 408.615.2467





### **CONDITIONS OF APPROVAL**

PLN24-00060 5155 Stars and Stripes Boulevard APNs: 097-01-069, 097-01-039, 104-01-102, 104-03-036, 104-03-037, 104- 03-038 and 104-03-039

**Project Description**: General Plan Text Amendment, Zoning Code Text Amendment and Amendment to the Master Community Plan for the Related Santa Clara Project (formerly referred to as "City Place") to Introduce a Scheme C Land Use Scenario.

In addition to complying with all applicable codes, regulations, ordinances and resolutions, the following conditions of approval shall be applied to the Master Community Plan Scheme C Supplement (MCP). The conditions of approval and obligations cited herein may be altered as necessary and additional specific detailed conditions may be added by the Executive Project Clearance Committee (Exec PCC) to accommodate the specific development Phases provided for in individual Development Area Plans (DAPs) called for under the provisions of the Master Community Plan (MCP). Detailed requirements and conditions specific to any DAP will be applied to the Council's consideration of that DAP approval.

References herein to the term *Parcels* shall be consistent with those five identified in Exhibit 1-4 of the MCP. References herein to the term *Phases* shall be consistent with those six or seven identified in Exhibit 2C-1 or 2-2 of the MCP, as appropriate.

### **GENERAL**

1. Prior to submitting a DAP application, the Master Developer shall submit and secure approval from the Community Development Director of an integrated MCP for Schemes A and B (if the Master Developer will pursue Schemes A or B) or an integrated MCP for Scheme C (if the Master Developer will pursue Scheme C). The integrated MCP shall include only those elements applicable to Schemes A and B or Scheme C, as applicable, and shall also include any changes incorporated into the MCP in accordance with Council approvals. The Master Developer may elect to submit both an integrated MCP for Schemes A and B and an integrated MCP for Scheme C.

(a)

- 2. All development, construction and uses shall comply with all applicable codes, regulations, ordinances and resolutions that are not otherwise altered by the specific development entitlements for the project.
- 3. If relocation of an existing public facility becomes necessary due to a conflict with the Developer's new improvements, then the cost of said relocation shall be borne by the Developer.
- 4. The project shall comply with the conditions set forth in the Development Agreement and Development and Disposition Agreement in effect between the City of Santa Clara and Related, Santa Clara, LLC.
- 5. The project shall comply with the mitigation measures included within the Mitigation Monitoring or Reporting Program for the Project, each of which is hereby imposed as a condition of approval.
- 6. Provide filtration systems for on-site residences and daycare centers as necessary to reduce operational cancer risks and exposure to particulate matter 2.5 microns in diameter or less (PM2.5). This measure only applies to on-site residences and daycare centers. The Project Developer shall implement the following measures, as necessary, to reduce cancer risks to a

level less than BAAQMD project-level thresholds:

- (a) Revised Health Risk Assessment (HRA): The Project Developer may choose to reassess the potential on-site cancer risk and PM2.5 concentrations to be experienced by on-site residential receptors and on-site daycare centers later in the design Phase, but prior to occupancy, and to prepare a revised HRA using updated receptor location information and more detailed assessment of risks associated with existing and project operational sources, and submit to the City for review. If the revised HRA demonstrates, to the satisfaction of the City, that the cancer risk and exposure to PM2.5 for all potentially exposed on-site receptors will be less than BAAMQD project-level thresholds, then no additional measures are necessary. If the revised HRA demonstrates, to the satisfaction of the City, that the cancer risk or exposure to PM2.5 for on-site sensitive receptors will be less than presented in the EIR but still over the BAAMQD threshold, then the control effort may be less.
- (b) Install filtration systems on ventilation and recirculation systems. Filtration systems shall be installed on ventilation and recirculation systems within on-site residences and the heating, cooling, and ventilation systems that serve daycare centers that are exposed to risks above BAAQMD thresholds due to individual existing sources. All filters must be rated MERV 13 or higher. The Project Developer shall submit a plan for installation and maintenance of all filters in accordance with the manufacturer's recommendations to the City prior to approval of the first building permits.
- 7. Prepare and implement a noise control plan to reduce interior noise at sensitive land uses. The Project Developer shall conduct a design-level acoustic study that identifies exterior noise levels for residential and commercial uses on the project site. This study shall take into account existing, project, and reasonably foreseeable future noise sources (such as proposed increases in passenger rail service along the Lafayette Street corridor). Where this study finds that the exterior noise level would exceed the residential compatibility standard of 55 dBA Ldn or the commercial incompatibility standard of 65 dBA Ldn, the Project Developer shall prepare a design-level operational noise control plan to provide acceptable interior noise levels. This plan shall identify all project features and treatments that will be implemented to ensure that the project is in compliance with the interior noise standards listed in the City's General Plan and City Code as well as the standards specified for new construction within the Comprehensive Land Use Plan (CLUP) for Mineta San Jose International Airport (SJC). The study and plan shall be developed by an acoustical design professional. Design features and treatments will be identified to ensure that interior noise levels at new proposed uses are in compliance with the noise standards. The report shall be submitted to the City for review and approval prior to the issuance of building permits for the project. Depending on the noise exposure for a particular site, such treatments may include, but are not limited to, those listed below, as recommended by the acoustical design professional.
  - (a) Construction of enclosures around noise-generating mechanical equipment at commercial uses.
  - (b) Use of setbacks from noise sources to maximum attenuation of noise over distance.
  - (c) Installation of noise-reducing treatments in new buildings, including:
    - High-performance, sound-rated double-glazed windows,
    - Sound-rated doors,
    - Sound-rated exterior wall construction,
    - Special acoustical details for vents,
    - Acoustical caulking at all exterior facade penetrations,
    - Sound-rated roof and ceiling constructions, and
    - Adequate mechanical ventilation so that windows and doors may be kept closed at

the discretion of the building occupants to control environmental noise intrusion.

- 8. Prepare and implement a vibration control plan to reduce vibration from the Union Pacific Railroad (UPRR) for sensitive land uses. The Project Developer shall prepare a design-level operational vibration control plan that identifies all project features and treatments that would be implemented to ensure that the project is in compliance with the vibration standards recommended by the Federal Transportation Administration (FTA) relative to railway operational vibration associated with UPRR operations. The plan shall be prepared when new uses would be located within the following screening distances, as recommended by FTA (FTA 2006):
  - a. Category 1: Buildings where vibration would interfere with interior operations (600 feet).
  - b. Category 2: Residences and buildings where people normally sleep (200 feet).
  - c. Category 3: Institutional land uses with primarily daytime use (120 feet). The plan shall take into account current and future expected passenger and freight rail service levels adjacent to the project site. The plan shall be developed by an acoustical design professional and shall include a detailed investigation of ground-borne train vibration that considers site-specific train vibration source and propagation conditions and the actual building designs. The design features and treatments shall be identified to ensure that vibration levels at new proposed uses are in compliance with FTA standards. The report shall be submitted to the City for review and approval prior to the issuance of building permits for the project. Depending on the vibration exposure for a particular site, such treatments may include, but are not limited to, those listed below, as recommended by the acoustical design professional.
  - d. Increased setbacks of noise-sensitive uses from the train track.
  - e. Foundation isolation systems to reduce the transmission of vibration into buildings with noise-sensitive uses that are near the tracks.
- 9. Incorporate flood warnings for access roads for areas vulnerable to flooding. The Project Developer and the City shall coordinate to provide flood warnings for new and existing roadways that provide access to the site and are vulnerable to 100-year flood levels. The Project Developer shall review the City's flood warning and emergency response plan and submit a brief plan for the project that is consistent with the City's plan. The plan shall be submitted to the City's Emergency Services Coordinator in the City's Fire Department for review and approval. The specific frequency of expected flooding on-site access roads shall be determined by the Project Developer and reviewed by the City. Flood warnings may be temporary or permanent, depending on the frequency of expected flooding, as determined by the City. Information about alternative access/egress routes, based on flooding potential and other factors, shall also be provided by the Project Developer to the City's Emergency Services Coordinator in the City's Fire Department for review and approval. If other flood improvements are implemented that remove the flooding risk at the site access roads, then this condition of approval shall no longer be required.

### **ENGINEERING**

- E1. Developer is responsible for cost of relocation or modification of any public facility necessary to accommodate subject development, unless the cost of relocation or modification of a utility is the responsibility of a franchisee under a franchise agreement. Planned changes to existing facilities shall be included with and described in proposed infrastructure plans required at the time of DAPs.
- E2. Following approval of Tentative Maps and/or Vesting Tentative Maps by Council, the Developer shall file Final Maps for approval and recordation to the satisfaction of the Director of Public Works prior to the issuance of building permits for the DAP, except as follows:
  - a. For DAP 1, a Tentative Map or Vesting Tentative Map shall be approved by Council prior to the

issuance of building permits for buildings located on property covered by DAP 1, and a Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation covering property on which the building is located prior to the issuance of any certificate of occupancy for any building within DAP 1.

- b. For DAP 2, a Tentative Map or Vesting Tentative Map shall be approved by Council prior to the issuance of building permits for buildings located on property covered by DAP 2, and a Final Map approved to the satisfaction of the Director of Public Works shall have been filed for recordation covering property on which the building is located prior to the issuance of any certificate of occupancy for any building within DAP 2.
- E3. Infrastructure plans that are submitted with the DAP application shall address infrastructure needs for the entire phase where the DAP infrastructure needs must rely on, may be affected by, or may affect any future phase(s) of development. The submitted DAP infrastructure plans in that case shall provide not less than conceptual plans for or a description of the design of the infrastructure in the future phase(s), to the satisfaction of the Director of Public Works. Plans shall be prepared by a Registered Civil Engineer and approved by the City Engineer prior to approval and recordation of Final Map and/or issuance of building permits.
- E4. The Sanitary sewer (SS) laterals from Parcel 1 and Parcel 2 shall connect to the westernmost 42" SS main in Lafayette Street. The SS laterals from Parcel 3 and Parcel 4 shall connect to the 42" SS main running between the two parcels from Great America Parkway to Lafayette Street. Parcel 5 shall be connected to the 12" SS main in Stars and Stripes Drive. The City shall determine available SS capacity for each main as of the time of project entitlements, including each DAP or DAP Amendment, and the Developer shall construct facility improvements to accommodate the maximum MCP development. The Developer may be reimbursed for design and construction costs above its fair share costs.
- E5. Execute Covenant(s) Running with the Land to assume maintenance responsibility for non-standard street improvements within public rights-of-way prior to the City's acceptance of said improvements. Non-standard street improvements include, but are not limited to, curb return type driveway(s).
- E6. Obtain site clearance through the Engineering Department prior to issuance of building pe1mits. Site clearance will require payment of applicable development fees prior to issuance of the building permit. Other requirements may be identified for compliance during the site clearance process.

### **TRAFFIC**

TR1. If the Lick Mill Boulevard extension north of Tasman Drive is constructed as a 4-lane minor arterial road before the Developer implements the proposed Scheme C development, the Developer shall modify Lick Mill Boulevard from a 4-lane minor arterial road to a 2-lane collector street, in accordance with the street design guidelines specified in the Tasman East Specific Plan. The anticipated changes would involve lane reconfigurations to reduce travel lanes, potential improvements at the northern terminus of Lick Mill Boulevard, the addition of on-street parking, and the implementation of traffic-calming features within the existing public rights-of-way.

### **ELECTRIC**

EL1. DAP infrastructure plans and documents that address the electrical distribution system shall specify on-site private electric facilities and off-site public electric facilities to address the needs of the particular DAP and, conceptually, the needs of the overall phase which contains that DAP. To the extent that development of any particular DAP or phase may affect service to other phases, a conceptual plan or description of those needs shall be included in the application.

- EL2. On-site infrastructure is the Developer's responsibility. The Developer shall install the substructures required to meet Silicon Valley Power (SVP) design requirements. SVP will install all cable and equipment facilities. The Developer will pay for any and all costs associated with installation of these facilities.
- EL3. Developer shall provide the City easements and all rights of way for electric facilities and access for all facilities located on private streets or within structure boundaries.
- EL4. The Developer entered into the Esperança Substation Agreement (the "Existing Substation Agreement") with the City of Santa Clara, dated December 3, 2019. Under the Existing Substation Agreement, up to 27 MVA of electrical capacity ("Available Capacity") is allocated for the Developer's use from Esperança Substation in connection with the project described therein. In addition, SVP and Developer are in discussions to amend the Existing Substation Agreement to among other things increase the Available Capacity by an additional 6.5MVA, which amendment will be subject to both City Council approval and such other SVP requirements including but not limited to Conditions of Approval EL.6 through EL.10 (the "Pending Amendment"). If the Developer requires electrical capacity or modifies the development after approval of the Pending Amendment, a further amendment to the Existing Substation Agreement and/or a new substation agreement will be necessary to accommodate such additional capacity or project modifications. In such instances, Conditions of Approval EL 6 through EL 10, along with any other conditions reasonably required by Silicon Valley Power (SVP), shall apply.
- EL 5. SVP is currently conducting a distribution system impact system study (In Progress SIS). Developer submitted an application for the In Progress SIS in October 2024. This In Progress SIS does not include (and will not include) any data center loads in Parcels 1 and 2.
- EL 6. If Developer modifies the project described in the In Progress SIS or requires capacity above the Available Capacity, additional requirements will be required based on SVP's evaluation of the modified development and its estimated load. In such case, the Developer shall submit an updated project description to SVP with such additional information as SVP may require. If SVP determines a new or amended system impact report is required based on the new project description or request for additional capacity, Developer shall submit an application for a new or amended system impact study (either distribution and transmission, or both) or other study as required, enter into a deposit agreement as required by SVP, and pay for the cost of these studies.
- EL 7. In connection with EL 6, if the modified development's estimated load exceeds 13.5 MVA for any parcel (or such lower amount as may be determined by SVP), SVP will require a transmission system impact study which will assess the following:
  - a. System capacity of SVP's electric transmission system to serve the proposed load.
  - b. System capacity of PG&E's electric transmission system to serve proposed load.
    - i. This is determined by studies performed by the California Independent System Operator (CAISO) in its yearly Transmission Planning Process (TPP).
    - ii. Any mitigation measures identified, and/or construction schedules required by PG&E to the Developer's proposed load ramp. Any PG&E identified mitigations and/or construction schedules are not controlled by SVP nor is SVP responsible for any delays caused by these project schedules. Cost, if applicable, shall be borne solely by Developer.
  - c. Determine if developer's load ramp can be accommodated
- EL.8 In connection with EL. 6, if SVP determines sufficient electric capacity is available for modified development or request for additional capacity under a system impact study (either distribution and transmission, or both) or such other study required by SVP, Developer shall secure an amendment to the Existing Substation Agreement (which would include the Pending Amendment) and, for any such requests after the Pending Amendment, a subsequent amendment and/or a new substation agreement,

in either case, on terms and conditions required by Silicon Valley Power in order to secure interim electric capacity and electric capacity for the modified development. Such amendment to the Existing Substation Agreement and/or new agreement shall contain the amount of allocated capacity and load ramp. The Developer will fully fund the design and construction of electric infrastructure improvements required by SVP in connection with the development.

- EL.9 If SVP determines no electric capacity is available for Developer's request for additional capacity, no additional electric capacity shall be provided by SVP. If SVP determines that the modified development (or request for additional capacity) must be studied in the CAISO Transmission Planning Process (TPP), the Developer shall pay the CAISO System Impact Study Fee and any other CAISO fees and costs
- EL.10 Pre-Design Work If applicable, the Developer shall enter into a deposit agreement (in a form required by SVP) with the City, outlining the Developer's funding obligations for pre-design work related to the substation and/or distribution or transmission infrastructure necessary to support the development or any modifications thereto. Developer shall be responsible for the cost of the ampacity and grounding study (performed by SVP) for their Developer's distribution system incorporated into the pedestal design of the development. The requirements from the ampacity and grounding study shall be incorporated in the slab and pier construction on the parcels with landfill.
- EL.11 The Development shall not encroach on SVP's Underground 230kV Line trench such that it is accessible with an 18' drivable surface over its entire alignment. Areas around manholes will require additional space. Any proposed development encroachments or changes (including, but not limited to, new electrical equipment, substructures, new streets, changes in grading and cover, landscaping and bioretention) will require additional analysis by SVP to ensure the capacity rating of the 230 kV line is not negatively impacted.
- EL.12 These approvals do not grant Developer's project any electric power for its project.

## Conditions E13 through E37 shall apply at the detailed design level unless SVP alters or waives any requirement in writing.

- EL.13 **Utility Plan -** Electric Utility Infrastructure must be included in Civil Composite Drawings (C4) with horizontal profiles showing clearances.
  - a. Show existing infrastructure and easements.
  - b. Show new proposed infrastructure and easements per markups that will be provided once a utility plan is submitted.
  - c. Show all the trees.
  - d. Show all the electrical rooms for each building.
- EL.14 **Initial Information:** Developer shall provide a site plan showing all existing utilities, structures, easements, and trees. Developer shall also include a detailed panel schedule showing all current and proposed electric loads.
- EL.15 **Work Drawing:** Developer shall have a work drawing created for the site by either an SVP estimator or through the design process. All SVP standards and clearance requirements must be met, or variance approvals must be granted by SVP. The Developers' work drawing shall include but is not limited to: SVP substructure for primary, low voltage, streetlight, and fiber facilities. SVP facilities may extend off-site to the nearest utility connection point to tie in with existing infrastructure as deemed necessary by SVP.
- EL.16 **Encroachment Permit:** Prior to issuance of Building Permits, the Developer shall submit an encroachment permit application with an *approved* SVP Developers Work Drawing for construction of

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- electric utilities that comply with the latest edition of SVP Standards and Rules and Regulations, Electric Notes, and Electric Standard Details and Specifications
- EL.17 **Applicants Switchgear:** Development's main switchgear with SVP meters must meet EUSERC standards and be approved by SVP's meter shop prior to ordering. Switchgear for 12KV gear must have batteries sized for 4 hours of operation, no capacitive tripping, and 2 sets of relays, CTs, & PTs for each main. All double ended switchgear with a tie breaker must include a kirk-key interlock scheme and an SVP provided warning label for the operation of the main tiebreaker.
- EL.18 **AMI/Fiber Building Requirements:** All projects implementing high rise metering and multi-floor infrastructure requirements shall meet the requirements outlined in UG 0250 & FO1901.
- EL.19 **Easements**: Prior to the City's issuance of Building or Grading Permits, the Developer shall provide a dedicated underground electric utility easement (U.G.E.E) around the electric onsite facilities. The electric utility easement shall be a minimum of 10 feet wide around conduit and 5' minimum around equipment and vault/manhole pads. Additionally, the Developer shall submit plans defining existing easements so SVP can verify if there are any conflicts with new proposed easements or improvements. The Developer shall grant to the City, without cost, all easements and/or rights of way necessary for serving the development and for the installation of utilities (Santa Clara City Code chapter 17.15.110).
- EL.20 **Coordination Study:** For any services taken at 12KV, a coordination study will need to be conducted by the Developer prior to energizing the service for the development.
- EL.21 **Developer Switchgear:** Developer's switchgear will be inspected on site by SVP to ensure compliance with approved switchgear drawings. Electric meters and main disconnects shall be installed per Silicon Valley Power Standard MS-G7, Rev. 2.
- EL.22 **Electric Facilities:** Prior to the City's issuance of occupancy, the Developer shall construct all electric utilities per the approved SVP Developers Work Drawing. SVP will inspect all electric utility installations and all other improvements encroaching on electric facilities.
- EL.23 **Municipal Fees:** Prior to electric service energization, all applicable fees per the City of Santa Clara's Municipal Fee Schedule at time of energization shall be paid by the Developer.
- EL.24 **Costs & Expenses:** Unless expressly stated otherwise or covered by a fee to be paid by the Developer, Developer shall be responsible for all costs and expenses associated with fulfilling these conditions of approval.
- EL.25 **Access:** SVP will require 24-hour unobstructed access to all SVP equipment which includes: manholes, transformers, vaults, switches, meters, indoor electrical rooms with SVP owned equipment etc.
- EL.26 **SVP Rules and Regulations:** Developer shall comply with all applicable SVP rules, regulations, standards, guidelines, and requirements, as may be amended from time to time.

### **EL.27 SVP Equipment Clearances:**

- a. Access Doors: Ten (10) foot minimum clearance in front of equipment access doors.
- b. Pad Sides: Five (5) foot minimum clearance from pad on sides without access doors.
- c. **Truck Access:** Eighteen (18) foot minimum width on one side of the equipment pad for truck access.
- d. Barrier pipes: (on sides accessible to vehicles)
  - i. Thirty (30) inches from equipment sides.
  - ii. Forty-Eight (48) inches in front of access doors. (use removable bollards)

### **EL.28 SVP Conduit Clearances:**

- a. **Longitudinal**: Five (5) foot minimum between new conduits/piping and existing/proposed SVP conduits.
- b. **Vertical**: Twelve (12) inch minimum between new conduit/pipes perpendicular to existing SVP conduits.

- c. **Poles/Posts**: Three (3) foot six (6) inches clearance required from poles (electrolier, guy stub, service clearance, self-supporting steel, and light poles), except for riser conduits. This is reduced to a three (3) foot minimum for posts (signposts, barrier pipes, bollards, fence posts, and other similar posts).
- d. **Longitudinal**: Five (5) foot minimum between new conduits/piping and existing/proposed SVP conduits
- e. **Vertical**: Twelve (12) inch minimum between new conduit/pipes perpendicular to existing SVP conduits
- f. **Poles/Posts**: Three (3) foot six (6) inches clearance required from poles (electrolier, guy stub, service clearance, self-supporting steel, and light poles), except for riser conduits. This is reduced to a three (3) foot minimum for posts (signposts, barrier pipes, bollards, fence posts, and other similar posts).

### EL.29 SVP Vault/Manhole Clearances:

- a. Conduits: Five (5) foot minimum to tree root barrier or other subsurface wall or structure.
- b. **Equipment:** Five (5) foot minimum to tree root barrier. The tree canopy drip line cannot be over the SVP equipment.
- c. **Subsurface Facilities:** Five (5) foot minimum to any electric department facilities. Any existing trees in conflict will have to be removed.
- d. **Easements:** No trees shall be planted in SVP's U.G.E.E or P.U.E's.
- EL.30 **Transformer & Switch Placement:** these devices and pads may only be located outdoors. Clearances to buildings are defined in UG1225. All projects are to assume mineral oil fluid, unless otherwise approved by SVP.
- EL.31 **SVP Standards.** Developer shall comply with the following SVP standards (as may be amended or supplemented).
  - a. UG1000 Installation of Underground Substructures by Developers
  - b. UG1250 Encroachment Permit Clearances from Electric Facilities
  - c. UG0339 Remote Switch Pad
  - d. OH1230 Tree Clearances from Overhead Electric Lines
  - e. SD1235 Tree Planting Requirements Near Underground Electric Facilities
  - f. UG1225 Pad mounted Equipment Clearances and Protection
  - g. UG0250 High Density Residential Metering Requirements
  - h. FO-1901 Fiber Optic Splicing and Testing Methods
  - i. SVP Rules and Regulations Latest Edition

### **SVP Standards, Miscellaneous:**

- a. In the case of podium-style construction, all SVP facilities and conduit systems must be located on solid ground (aka "real dirt") and cannot be supported on parking garage ceilings or placed on top of structures.
- b. No splice boxes are allowed between the SVP utility connection point and the Developer's main switch board.
- c. SVP does not utilize any sub-surface (below grade) devices in its system. This includes transformers, switches, etc.

### EL.33 Meter Locations:

a. All interior meter rooms at ground level are to have direct, outside access through only ONE door. Interior electric rooms must be enclosed in a dedicated electric room and cannot be in an open warehouse or office space.

## **EL.34 Underground Service Entrance**

- a. (277/480V Service or Lower) Underground service entrance conduits and conductors shall be "privately" owned, maintained, and installed per City Building Inspection Division Codes to the SVP defined utility connection point.
- b. (12KV Service) SVP terminates cable on the Developer owned switchgear.
- c. No cross-parcel distribution is allowed. SVP service points must be within the parcels that they serve.

### EL.35 Code Sections:

- a. The Developer shall provide and install electric facilities per Santa Clara City Code chapter 17.15.210.
- b. Installation of underground facilities shall be in accordance with City of Santa Clara Electric Department standard UG-1000, latest version, and Santa Clara City Code chapter **17.15.050**.
- c. The Developer shall perform, in accordance with current City standards and specifications, all trenching, backfill, resurfacing, landscaping, conduit, junction boxes, vaults, street light foundations, equipment pads and subsurface housings required for power distribution, street lighting, and signal communication systems, as required by the City in the development of frontage and on-site property. Upon completion of improvements satisfactory to the City, the Developer will dedicate the improvement to the City subject to City's acceptance of the work. The Developer shall further install at its cost the service facilities, consisting of service wires, cables, conductors, and associated equipment necessary to connect Developer to SVP's electric grid. After completion of the facilities installed by the Developer, the City shall furnish and install all cable, switches, street lighting poles, luminaries, transformers, meters, and other equipment that it deems necessary for the betterment of the system per Santa Clara City Code chapter 17.15.210 (2).

## **EL.36** Existing Facilities:

- a. All existing SVP facilities, onsite or offsite, are to remain unless specifically addressed by SVP personnel in a separate document. It is the Developer's responsibility to maintain all clearances from equipment and easements. Developer should not assume that SVP will be removing any existing facilities without detailed design drawings from SVP indicating potential removals. Simply indicating that SVP facilities are to be removed or relocated on conceptual plans does not imply that this action has been approved by SVP.
- b. Any relocation of existing electric facilities shall be at Developer's expense.
- EL.37 **Generators:** Non-Utility Generator equipment shall not operate in parallel with the electric utility, unless approved and reviewed by the Electric Engineering Division. All switching operations shall be "Open-Transition-Mode", unless specifically authorized by SVP Electric Engineering Division. A Generating Facility Interconnection Application must be submitted with building permit plans. The review process may take several months depending on size and type of generator. No interconnection of a generation facility with SVP is allowed without written authorization from the SVP Electric Engineering Division.

### **WATER**

- WI. Each DAP submittal shall indicate all service connections and facilities for potable and recycled water and sanitary sewer facilities to serve the development area. To the extent necessary, plans shall include conceptual plans to serve the remainder of the Phase or future Phases that will rely on these facilities, to the satisfaction of the Director of the Water and Sewer Utilities.
- W2. Prior to issuance of Building Permits, the Developer shall submit plans for water service to each individual building parcel, site and/or building to be connected to a public main in the public right-

of-way to the satisfaction of the Director of Water & Sewer Utilities. Additionally, different types of water use (domestic, irrigation, fire) shall be served by separate water services.

Plans shall also indicate locations of proposed fire hydrants.

### **FIRE DEPARTMENT**

- FD1. When in the opinion of the fire code official, a new structure obstructs emergency radio communications to existing buildings or to any other locations, the Developer shall resolve the deficiency to the satisfaction of the Fire Department, which may include requirements to provide and install radio retransmission equipment necessary to restore communications capabilities. Any required equipment shall be located in a space or area within a new structure approved by the Fire Department.
- FD2. Each DAP application shall include proposed access routes for emergency service vehicles. Plans may be required to include the entire Phase in which the DAP is included and may necessitate conceptual plans for access through or to future Phases to the extent that may be necessary to the satisfaction of the Fire Chief.
- FD3. Construction and final development in each Phase and DAP shall comply with applicable fire standards, codes, and policies, including emergency access requirements.
- FD4. The Developer shall provide a replacement Fire Station in accordance with the Disposition and Development Agreement.

### **POLICE**

PD1. The Developer shall include, for each building, design specifications that meet the City of Santa Clara's guidelines established for radio signal penetration, as detailed in the Communications Department's Public Safety Radio System Building Penetration Guidelines. The intended use of telecommunications sites/equipment shall be clearly and accurately stated in the building documentation. The signal, of whatever nature, of any communications facility or system, shall in no way whatsoever interfere with or affect any police communication or police communication system.

### **PARKS AND RECREATION**

PRI. The Developer shall comply with the City's Park and Recreational Land Ordinance (SCCC Ch. 17.35), subject to conformance with and as otherwise satisfied by the provisions of the MCP, Development Agreement and Disposition and Development Agreement, to the satisfaction of the City Manager.

### STREET DEPARTMENT

- STI. Submit copies of complete landscape and automatic irrigation plans for all public rights-of-way for review and comment by City staff. The Developer is to supply and install City street trees per the MCP and City specifications. Spacing, specie, and sizes of street trees shall be subject to approval of the City Arborist.
- ST2. Special Urban Runoff Stormwater Pollution Prevention requirements apply. Provide the Street Department with information to evaluate proposed stormwater pollution prevention improvements for each Phase.
- ST3. Developer shall comply with City Development Guidelines for Solid Waste Services in each Phase, as specified by development type.

### PLANNING AND BUILDING INSPECTION

- PI. DAP applications for partial Phases as described in the MCP may be required to include conceptual plans and information for areas outside of the DAP boundaries that address site access for the provision of safety and service by City forces, as well as related utility facilities, and schematic or concept plans addressing such items as open space and parks that may be constructed in future Phases on abutting sites.
- P2. Tentative Subdivision Map, Vesting Tentative Subdivision Map and/or Parcel Map applications consistent with the intent and obligations of the MCP, Development Agreement and Disposition and Development Agreement, and consistent with any parcel(s) indicated in the submission of the DAP, shall be approved by City Council prior to issuance of building permits for development within any Phase, Sub Phase or DAP within the area of that map application. Maps shall define development sites and provide for the dedication or disposition of public streets, utilities and parks/open space, to the satisfaction of the City.
- P3. The Developer will be required to prepare acoustical analyses and implement noise insulation features in building construction as required by the Mitigation Monitoring and Reporting Program.
- P4. The Developer shall be required to incorporate within the residential tenant lease agreements notification of the occurrence of aircraft traffic noise over the project site.
- P5. The Developer shall convey an avigation easement to the City of San Jose on behalf of the San Jose International Airport.
- P6. Obtain required permits and inspections from the Building Official and comply with the conditions thereof, based upon approved DAPs. Submittal of plans shall be consistent with a predetermined address numbering scheme based upon Phases identified in the MCP, to the satisfaction of the Building Official.
- P7. The Developer shall file a Notice of Intent (NOI) with the State Water Resources Control Board prior to issuance of any permit for grading or construction in accordance with an approved DAP, or as otherwise permitted or required under the obligations and rights of the Disposition and Development Agreement. A copy of the NOI shall be sent to the City Building Inspection Division. A stormwater pollution prevention plan is also required with the NOI.
- P8. Along with the submission of the first DAP within any Phase, a landscape and lighting concept plan for that Phase shall be provided and agreed upon by the Developer and the City. Landscaping and lighting concepts shall address public areas and street frontage areas, as well as open space and park areas within the Phase.
- P9. The Developer shall employ green building standards and materials in the site design and construction of structures within each DAP, designed to meet USGBC LEED standards for new construction, in accordance with the approved MCP.
- PI 0. The project will be required to comply with the City's Urban Runoff Pollution Prevention Program, including best management practice measures for construction and post-construction activity, including reducing runoff to public storm drain facilities from rooftops and paved surfaces.
- P11. Prior to the issuance of a grading or building permit, the Developer shall provide the Streets Division of Public Works third-party certification that the stormwater control plan meets applicable C.3 requirements, along with an Operations and Maintenance Agreement approved by the City for post-construction maintenance of C.3 devices/measures. Each DAP phase shall meet its C.3 requirements on its own merit. If a banking system is to be created to achieve compliance for the entire project's full implementation, the applicant shall first create area treatment surplus (credit) during the earlier DAP phase(s) to be used by subsequent project phase(s).

- P12. Trees removed shall be replaced at a ratio of two new trees for every one removed tree. Any trees not replaced at the 2:1 ratio shall be subject to in-lieu payments consistent with City policy. The developer shall be responsible for maintaining a master accounting of all tree removals, tree replacements, and in-lieu fee payments and shall provide such information with each DAP submittal and upon the City's request.
- P13. The Developer shall prepare a Construction Management Plan (CMP) for review and approval prior to the issuance of initial grading or building permits for development within any Phase, Sub Phase or DAP. To the extent that information is known, a CMP may address some or all construction within the DAP or Phase, such that a CMP may not be required for each permit as called for in the adopted Mitigation Monitoring or Reporting Program.
- P14. Construction activity not confined within an enclosed building shall be limited to the hours of 7:00 a.m. to 6:00 p.m. weekdays and 8:00 a.m. to 6:00 p.m. Saturdays for construction within 300 feet of a residential use. Construction activity shall not be allowed on Sundays or recognized State and Federal holidays.
- P15. The Comprehensive Sign Program required by the MCP for Parcels 4 and 5 shall be considered and approved or conditionally approved by the City Council before the issuance of the first building permit (for buildings excluding below grade Tasman garage) for development undertaken pursuant to the DAP for Phase 1 or Phase 2. The Comprehensive Sign Program required by the MCP for Parcels 1 and 2 shall be submitted with the initial DAP submission for Parcel 1 or 2, whichever is submitted first, and shall be considered concurrently with and approved or conditionally approved as a part of the applicable DAP by the City Council.
- P16. During pre-construction activities, in addition to the presence of a qualified archeologist, a Native American representative shall be present to undertake cultural sensitivity training.
- P17. During the ground disturbing activities, if human remains are found, in addition to the archeological monitor, a local Native American representative shall be present to supervise the subsequent steps.

## KEY:

G = General

P = Planning Division

BD = Building Division

H = Housing & Community Services Division

F = Fire Department

PR = Parks & Recreation Department

PD = Police Department

E = Engineering Division

Streets Division (Landscape, Solid Waste, and Stormwater)

L = Landscape

SW = Solid Waste

ST = Stormwater

SVP = Silicon Valley Power

W = Water & Sewer Department

## ACKNOWLEDGEMENT AND ACCEPTANCE OF CONDITIONS OF APPROVAL

## Permittee/Property Owner

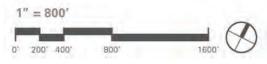
The un	dersigned	agrees to	o each	condition	of ap	oproval	and	acknowle	edges	and	hereby	agrees	to us	e the	project
propert	y on the to	erms and	conditi	ons set fo	rth ir	n this p	ermit								

Signature:	
Printed Name:	
Relationship to Property:	
Date:	

Pursuant to Santa Clara City Code 18.128.100, the applicant shall return this document to the Department, properly signed and dated, within 30-days following the date of the Acknowledgement.

## EXHIBIT 3C-1 (SCHEME C): ILLUSTRATIVE SITE CONCEPT\*





## Web Link- MCP Scheme C Supplement

**MCP Scheme C Supplement:** 

RSC MCP Scheme C Supplement

These documents are available for viewing in the Community Development Department



©City of Santa Clara

THIS MAP IS NOT TO BE USED FOR NAVIGATION

**Attachment 2: Project Data comparison** 

Project Number: PLN24-00060

**Project Address:** 5155 Stars and Stripes Drive **General Plan:** Urban Center/Entertainment

**Zoning:** Planned Development-Master Community

#### LAND USE DEVELOPMENT COMPARISON BY SCHEME

	Scheme A (under IHA)	Scheme B	Scheme C	Difference Scheme A to Scheme C	Difference Scheme B to Scheme C
City Center Mixed Use (Parcels 4 and 5) (gsf	)				
Office	1,372,400	2,852,400	4,517,400	+3,145,000	+1,665,000
Retail/Food and Beverage/Entertainment	1,502,000	1,502,000	800,000	-702,000	-702,000
Residential	1,680,000 (1,680 units)	200,000 (200 units)	1,680,000 (1,680 units)	(same number of units)	+1,480,000 (+1,480 units)
Hotel	578,000 (700 rooms)	578,000 (700 rooms)	587,000 (700 rooms)	-11,000 (same number of rooms)	-11,000 (same number of rooms)
Subtotal	5,132,400	5,132,400	7,564,400	+2,432,000	+2,432,000
Northeast Parcels (Parcels 1 and 2) (gsf)					
Office	4,032,000	3,832,000	0	-4,032,000	-3,832,000
Retail	- 5	200,000	0	0	-200,000
Industrial/Warehouse			1,600,000	+1,600,000	+1,600,000
Subtotal	4,032,000	4,032,000	1,600,000	-2,432,000	-2,432,000
Total Project (gsf)	9,164,400	9,164,400	9,164,400	0	0

#### NOTE:

Scheme C permits incidental retail and personal service uses primarily serving employees and customers of the principal light industrial use, not to exceed 10 percent of the floor area of the applicable building or campus. Scheme C also permits incidental office use primarily serving the administrative needs of the principal light industrial use, not to exceed 25 percent of the applicable floor area.

#### SOURCES:

ICF International, 2015. City Place Santa Clara Project Draft Environmental Impact Report. October 2015. Prepared for the City of Santa Clara. Available at: https://www.santaclaraca.gov/Home/Components/BusinessDirectory/BusinessDirectory/135/3649.

Related Santa Clara, 2025. Related Santa Clara Master Community Plan Scheme C Supplement, Chapter 8C, Infrastructure Overview – Scheme C Variant, June 2025.



#### **MEMORANDUM**

ADVISORS IN:

REAL ESTATE AFFORDABLE HOUSING

ECONOMIC DEVELOPMENT

BERKELEY

DEBBIE M. KERN

DAVID DOEZEMA

From:

To:

Keyser Marston Associates, Inc.

LOS ANGELES

KATHLEEN H. HEAD KEVIN E. ENGSTROM JULIE L. ROMEY

Date:

June 26, 2025

Elizabeth Klotz

City of Santa Clara

Subject:

Related Santa Clara Project Fiscal Impact Analysis

SAN DIEGO

TIM BRETZ

PAUL C. MARRA LINNIE GAVINO

**EMERITUS** A. JERRY KEYSER TIMOTHY C. KELLY This memorandum presents the findings of a fiscal impact analysis evaluating annual recurring City of Santa Clara (City) General Fund fiscal impacts upon buildout of the Related Santa Clara Project (Project). The analysis was prepared by Keyser Marston Associates, Inc. (KMA) on behalf of the City.

## **Development Scenarios Evaluated**

Fiscal impacts of the Project are evaluated under four land use scenarios, summarized in Table 1, and described below.

Scheme A is a mixed-use development scenario that includes residential, office, retail, and hotel uses. Development of Scheme A is permitted under existing land use approvals. Fiscal impacts of Scheme A are evaluated with development of the full 1.5 million square feet of included retail space and with development of the 800,000 square foot minimum retail improvements required by the Disposition and Development Agreement (DDA) for the Project.

Scheme C is a proposed new development scenario that adds industrial and/or data center uses to the mix of uses included in the Project. Fiscal impacts of Scheme C are evaluated with and without inclusion of a data center use.

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Table 1 - Development Scenarios Evaluated								
	Schem	ie C	Schem with Data		Schem Minimum		Schem Full Re	
Residential	1,680,000	sq.ft.	1,680,000	sq.ft.	1,680,000	sq.ft.	1,680,000	sq.ft.
	1,680	units	1,680	units	1,680	units	1,680	units
Office	4,517,400	sq.ft.	4,517,400	sq.ft.	5,404,400	sq.ft.	5,404,400	sq.ft.
Light Industrial	1,600,000	sq.ft.	800,000	sq.ft.	0	sq.ft.	0	sq.ft.
Data Center	0	sq.ft.	800,000	sq.ft.	0	sq.ft.	0	sq.ft.
Retail / F&B / Ent.	800,000	sq.ft.	800,000	sq.ft.	800,000	sq.ft.	1,502,000	sq.ft.
Hotel	567,000	sq.ft.	567,000	sq.ft.	578,000	sq.ft.	578,000	sq.ft.
	700	rooms	700	rooms	700	rooms	700	rooms
Total								
<b>Building Area</b>	9,164,400	sq.ft.	9,164,400	sq.ft.	8,462,400	sq.ft.	9,164,400	sq.ft.
Residential Units	1,680	Units	1,680	Units	1,680	Units	1,680	Units
Hotel Rooms	700	rooms	700	rooms	700	rooms	700	rooms

The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

## Annual City of Santa Clara General Fund Fiscal Impacts, Full Project

The projected annual City General Fund fiscal impacts upon buildout of each of the four land use scenarios are summarized in Table 2. Results are as follows:

- ➤ Scheme C Scheme C generates a projected \$20.6 million annual net positive fiscal impact to the City General Fund upon buildout, or \$28.1 million annually with inclusion of ground rent.
- ➤ Scheme C with Data Center The projected City General Fund fiscal impact with buildout of Scheme C, including a data center use, is a net positive \$22.2 million annually, or \$30.3 million with inclusion of ground rent. This is an increase of approximately \$2 million annually compared with Scheme C without a data center. Higher assessed values, lower City service demands, and increased ground rent associated with data center uses contribute to an increase in the projected net positive City General Fund fiscal impact. The analysis assumes the data center uses would not be served by Silicon Valley Power (SVP). If SVP supplies power to the data center, the net positive fiscal impact would be greater due to the 5% share of gross SVP revenue transferred to the City General Fund in accordance with the City Charter.
- ➤ Scheme A with Minimum Retail Scheme A, assuming development of the 800,000 square feet minimum retail uses permitted under the DDA, generates a projected \$20.5 million annual net positive fiscal impact to the City General Fund

**To:** Elizabeth Klotz June 26, 2025 **Subject:** Related Santa Clara Project Fiscal Impact Analysis Page 3

upon buildout or \$28.0 million annually with inclusion of ground rent. Findings are similar to Scheme C without a data center.

Scheme A with Full Retail – Scheme A with buildout of the full 1.5 million square feet of included retail uses generates a projected \$25 million annual net positive fiscal impact to the City General Fund or \$32.5 million annually with inclusion of ground rent. This is the largest net positive fiscal impact of the four scenarios, attributable to the sales tax revenues generated by the approximately 700,000 square feet in additional retail space.

Table 2 - Projected Annual Recurring General Fund	Fiscal Impacts (	\$Millions)		
	Scheme C	Scheme C with Data Center	Scheme A Minimum Retail	Scheme A Full Retail
General Fund Revenues	\$29.0	\$30.4	\$28.9	\$34.1
General Fund Service Costs	(\$8.4)	(\$8.2)	(\$8.4)	(\$9.1)
Net Annual Fiscal Impact, Without Ground Rent	\$20.6	\$22.2	\$20.5	\$25.0
Annual Ground Rent (1)	\$7.5	\$8.1	\$7.5	\$7.5
Net Fiscal Impact With Inclusion of Ground Rent	\$28.1	\$30.3	\$28.0	\$32.5

<sup>(1)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center. Scenario incorporating a data center use assumes 50% of Parcel 1 and 2 building area and 25% of Parcel 1 and 2 site area is utilized by the data center.

## Fiscal Impacts - Parcel 1 and 2

Table 3 presents fiscal impact findings specific to Parcels 1 and 2 of the Project. Parcels 1 and 2 would include approximately 1.6 million square feet of industrial or data center uses under Scheme C and approximately 3.3 million square feet of office space under Scheme A. Annual net positive fiscal impacts to the City General Fund total \$3.3 million under Scheme C, \$5.6 million under Scheme C with a data center use, and \$5.5 million under Scheme A, inclusive of ground rent.

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Table 3 - Projected Annual Recurring General Fund Fiscal Impacts - Parcels 1 and 2 (\$Millions)					
		Scheme C			
	Scheme C	with Data Center	Scheme A <sup>(1)</sup>		
General Fund Revenues	\$1.5	\$2.9	\$5.2		
General Fund Service Costs	(\$0.7)	(\$0.4)	(\$2.2)		
Net Annual Fiscal Impact, Without Ground Rent	\$0.8	\$2.5	\$3.0		
Annual Ground Rent (2)	\$2.5	\$3.1	\$2.5		
Net Fiscal Impact With Inclusion of Ground Rent	\$3.3	\$5.6	\$5.5		

<sup>(1)</sup> Parcel 1 and 2 land uses are the same for the Scheme A minimum retail and Scheme A full retail scenarios.

## Fiscal Impacts - Parcel 4

Parcel 4 includes a mix of residential, office, retail, and hotel uses, that varies by scenario as shown in Table 4.

Table 4 - Development Program - Parcel 4						
	Schem	e C	Schem Minimum		Schem Full Re	
Residential	1,488,399	sq.ft.	1,488,399	sq.ft.	1,488,399	sq.ft.
	1,480	units	1,480	units	1,480	units
Office	4,102,181	sq.ft.	1,659,181	sq.ft.	1,659,181	sq.ft.
Retail / F&B / Ent.	749,000	sq.ft.	749,000	sq.ft.	1,451,000	sq.ft.
Hotel	191,689	sq.ft.	191,689	sq.ft.	191,689	sq.ft.
	220	rooms	220	rooms	220	rooms

Table 5 presents fiscal impact findings specific to Parcel 4 of the Project. Annual net positive fiscal impacts to the City General Fund total \$15.7 million under Scheme C, \$13.3 million under the Scheme A Minimum Retail scenario, and \$17.6 million under the Scheme A Full Retail scenario, inclusive of ground rent.

<sup>(2)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center. Scenario incorporating a data center use assumes 50% of Parcel 1 and 2 building area and 25% of Parcel 1 and 2 site area is utilized by the data center.

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Table 5 - Projected Annual Recurring General Fund	Fiscal Impacts - I	Parcel 4 (\$Millions	5)
	Scheme C	Scheme A Minimum Retail	Scheme A Full Retail
General Fund Revenues	\$19.0	\$15.2	\$20.4
General Fund Service Costs	(\$6.8)	(\$5.4)	(\$6.3)
Net Annual Fiscal Impact, Without Ground Rent	\$12.2	\$9.8	\$14.1
Annual Ground Rent (1)	\$3.5	\$3.5	\$3.5
Net Fiscal Impact With Inclusion of Ground Rent	\$15.7	\$13.3	\$17.6
(1) Amounts reflect initial stabilized year figures from the DDA without	t escalation or adjustme	ent.	

# Fiscal Impacts - Parcel 5

Proposed land uses for Parcel 5 are the same in all the scenarios evaluated. The projected net City General Fund fiscal impact upon buildout of Parcel 5 is approximately \$9.2 million, inclusive of ground rent.

#### **Attachments**

The technical analysis tables that support these findings are presented in the attached appendices:

- Appendix A presents the analysis of Scheme A Minimum Retail scenario.
- Appendix B presents the analysis of Scheme A Full Retail scenario.
- Appendix C presents the analysis Scheme C analysis.
- Appendix D presents the Scheme C analysis with inclusion of a data center use.

# Appendix A Fiscal Impact Analysis Tables Scheme A Minimum Retail

### Summary

Projected Annual City General Fund Revenues and Service Costs Upon Buildout - Scheme A with Minimum Retail Related Santa Clara Project - Scheme A With Minimum Retail

Projected Annual City General Fund Revenues and Service Costs Upon Buildout - Scheme A with Minimum Retail					
	Parcel 1 and 2	Parcel 5	Parcel 4	Total	
General Fund Revenues General Fund Service Costs	\$5,197,000 (\$2,197,000)	\$8,506,000 (\$839,000)	\$15,231,000 (\$5,401,000)	\$28,934,000 (\$8,438,000)	
Net Annual Fiscal Impact, Without Ground Rent	\$3,000,000	\$7,667,000	\$9,830,000	\$20,496,000	
Annual Ground Rent (3)	\$2,500,000	\$1,500,000	\$3,500,000	\$7,500,000	
Net Fiscal Impact With Inclusion of Ground Rent	\$5,500,000	\$9,167,000	\$13,330,000	\$27,996,000	

#### Notes:

<sup>(1)</sup> Presents Scheme A with development of the minimum retail (800,000sf).

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

<sup>(3)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center.

Table 1
Projected Annual City General Fund Revenues and Service Costs Upon Buildout (Excludes Ground Rent)
Related Santa Clara Project - Scheme A With Minimum Retail

	Table Reference	Parcel 1/2	Parcel 5	Parcel 4	Total
General Fund Revenues					
Property Tax	Table 7	\$3,012,000	\$949,000	\$3,396,000	\$7,357,000
Sales Tax	Table 9	\$0	\$370,000	\$4,370,000	\$4,740,000
Transient Occupancy Tax	Table 8	\$0	\$6,600,000	\$5,200,000	\$11,800,000
Property Tax In Lieu of VLF	Table 7	\$1,008,000	\$318,000	\$1,138,000	\$2,464,000
Business License Tax	Table 11	\$555,000	\$98,000	\$386,000	\$1,039,000
SVP Transfers	Table 10	\$321,000	\$95,000	\$372,000	\$788,000
Franchise Fees	Table 11	\$171,000	\$43,000	\$210,000	\$424,000
Permits and Licenses	Table 11	\$90,000	\$23,000	\$111,000	\$224,000
Fines and Forfeitures	Table 11	\$40,000	\$10,000	\$48,000	\$98,000
Total Revenues		\$5,197,000	\$8,506,000	\$15,231,000	\$28,934,000
General Fund Service Costs					
Police	Table 14	\$347,000	\$275,000	\$2,500,000	\$3,123,000
Fire/EMS	Table 16	\$919,000	\$284,000	\$1,406,000	\$2,609,000
Public Works	Table 18	\$574,000	\$143,000	\$706,000	\$1,423,000
General Government (2)	Table 18	\$270,000	\$67,000	\$333,000	\$670,000
Park & Rec, except park maint (3)	Table 18	\$0	\$27,000	\$197,000	\$224,000
Community Development	Table 18	\$87,000	\$22,000	\$107,000	\$216,000
Library	Table 18	\$0	\$21,000	\$152,000	\$173,000
Total Expenditures		\$2,197,000	\$839,000	\$5,401,000	\$8,438,000
let Annual Fiscal Impact		\$3,000,000	\$7,667,000	\$9,830,000	\$20,496,000

#### Notes

<sup>(1)</sup> Includes City Council, City Attorney, City Clerk, Assistant City Clerk, Auditor, Finance, Human Resources, and City Manager departments.

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project. Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism, thus there is no City General Fund maintenance cost for neighborhood parks.

<sup>(3)</sup> Figures do not include ground rent. Ground rent is proposed to increase by a factor of two for any land used for a data center.

<sup>(4)</sup> Assumes buildout of Scheme A with the exception of retail, evaluated at the 800,000 square foot DDA minimum.

Table 2
Development Program - Scheme A with Minimum Retail
Related Santa Clara Project - Scheme A With Minimum Retail

<b>Development Progr</b>	Development Program - Scheme A with Minimum Retail							
	Parcel 1 & 2	Parcel	5	Parce	Parcel 4		Total	
	Building Area	Building Area	Units/Rooms	Building Area	<u>Units/Rooms</u>	Building Area	Units/Rooms	
Residential	0 sq.ft.	191,601 sq.ft.	200 units	1,488,399 sq.ft.	1,480 units	1,680,000 sq.ft.	1,680 units	
Office Light Industrial Retail / F&B / Ent.	3,330,000 sq.ft. 0 sq.ft. 0 sq.ft.	415,219 sq.ft. 0 sq.ft. 51,000 sq.ft.		1,659,181 sq.ft. 0 sq.ft. 749,000 sq.ft.		5,404,400 sq.ft. 0 sq.ft. 800,000 sq.ft.		
Hotel	0 sq.ft.	386,311 sq.ft.	480 rooms	191,689 sq.ft.	220 rooms	578,000 sq.ft.	700 rooms	
Total	3,330,000 sq.ft.	1,044,131 sq.ft.		4,088,269 sq.ft.		8,462,400 sq.ft.		

Note: the proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

Table 3
Existing City of Santa Clara Population and Employment
Related Santa Clara Project - Scheme A With Minimum Retail

Existing City of Santa Clara Population and Employment					
Population (1)			132,048		
Employment (2)			118,384		
Resident Equivalents (3)	0.5 per worker	1.0 per resident	191,240		

- (1) California Department of Finance. Table E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2024.
- (2) U.S. Census Longitudinal Employer-Household Dynamics, 2022 Work Area Profile Analysis for City of Santa Clara.
- (3) Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

Table 4
Project Population and Employment Estimate
Related Santa Clara Project - Scheme A With Minimum Retail

			Population / Employment			Resident
	Proposed	Uses	Factor (1)	Population	Employees	Equivalents <sup>(2)</sup>
Parcel 1 and 2	<del></del>			<u> </u>	<u> </u>	•
Residential	0	units	<ul><li>2.40 population per unit</li><li>32 units/employee</li></ul>	-	-	-
Office	3,330,000	sq.ft.	270 sq.ft./employee	-	12,333	6,167
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	0	sq.ft.	450 sq.ft./employee	-	-	-
Hotel	0	sq.ft.	840 sq.ft./employee	-	-	-
Subtotal		•	, , ,	0	12,333	6,167
Parcel 5						
Residential	200	units	2.40 population per unit 32 units/employee	480	6	483
Office	415,219	sq.ft.	270 sq.ft./employee	-	1,538	769
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	51,000	sq.ft.	450 sq.ft./employee	-	113	57
Hotel	386,311	sq.ft.	840 sq.ft./employee	-	460	230
Subtotal		•		480	2,117	1,539
Parcel 4						
Residential	1,480	units	2.40 population per unit 32 units/employee	3,550	46	3,573
Office	1,659,181	sq.ft.	270 sq.ft./employee	-	6,145	3,073
Light Industrial		sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	749,000	sq.ft.	450 sq.ft./employee	-	1,664	832
Hotel	191,689	sq.ft.	840 sq.ft./employee	-	228	114
Subtotal		•		3,550	8,084	7,592
Total				4,030	22,535	15,297

<sup>(1)</sup> Factors based on the Draft CEQA checklist.

<sup>(2)</sup> Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

<sup>(3)</sup> As a conservative assumption existing (primarily off-site) employees are not deducted, as in the CEQA checklist.

Table 5 City of Santa Clara FY 2024-25 General Fund Revenues by Source Related Santa Clara Project - Scheme A With Minimum Retail

City of Santa Clara FY 2024-	25 General Func	Revenues by Source
	FY 24-25	
Revenue Source	<u>Budget</u>	Basis for Estimating Revenue to be Generated by Project
Revenue Categories with a F	Projected Increas	se from Project
Property Tax	\$89,545,000	10.05% x 1% basic levy x estimated Assessed Value
Sales Tax	\$62,352,000	1% of estimated taxable sales
Transient Occupancy Tax	\$23,650,000	13.5% of estimated room sales
Franchise Tax	\$5,300,000	\$27.71 per resident equivalent (=\$5,300,000 / 191,240 existing resident equivalents)
Business Licenses	\$6,000,000	\$45 per employee and \$15 per resident
Other Licenses and Permits	\$2,806,000	\$14.67 per resident equivalent (=\$2,806,000 / 191,240 existing resident equivalents)
Other Services Fees	\$39,253,418	estimated as an offset to departmental expenses, where applicable
Fines and Penalties	\$1,230,000	\$6.43 per resident equivalent (=\$1,230,000 / 191,240 existing resident equivalents)
SVP Transfer	\$34,000,000	proportionate to increase in SVP electricity demand from Project
Subtotal	\$264,136,418	
Revenue Categories with No	Projected Incre	ase from Project
Documentary Transfer Tax	\$1,632,000	Not estimated due to long hold periods for commercial property
Rents and Leases	\$15,150,269	ground rent provided as consideration for City land is not included in projection
State/Other Agencies	\$520,000	not estimated
Interest	\$3,708,000	not estimated
Other Revenue	\$180,000	not estimated
Transfers In	\$2,015,294	not estimated
Subtotal	\$23,205,563	
Total Revenues	\$287,341,981	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

Table 6
Assessed Value Estimate
Related Santa Clara Project - Scheme A With Minimum Retail

Assessed Value E	Estimate Upo	n Buildout								
		De	evelopment		AV Factor <sup>(1)</sup>	Estimated Assessed Value				
	Parcel 1/2	Parcel 5	Parcel 4	Total		Parcel 1/2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680 units	\$700,000 /unit	\$0	\$140,000,000	\$1,036,000,000	\$1,176,000,000	
Office	3,330,000	415,219	1,659,181	5,404,400 sq.ft.	\$900 /sq.ft.	\$2,997,000,000	\$373,697,100	\$1,493,262,900	\$4,863,960,000	
Light Industrial	0	0	0	0 sq.ft.	\$400 /sq.ft.	\$0	\$0	\$0	\$0	
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq.ft.	\$900 /sq.ft.	\$0	\$45,900,000	\$674,100,000	\$720,000,000	
Hotel	0	480	220	700 Rooms	\$800,000 /room	\$0	\$384,000,000	\$176,000,000	\$560,000,000	
Total						\$2,997,000,000	\$943,597,100	\$3,379,362,900	\$7,319,960,000	

<sup>(1)</sup> Assessed value estimates are based upon review of assessed values for other recently built projects, estimates provided by the developer, and recent industrial building sales data.

Table 7
Property Tax and Property Tax In-Lieu of VLF Estimate
Related Santa Clara Project - Scheme A With Minimum Retail

Property Tax and Property Tax In-	Lieu of VLF Estimate				
		Parcel 1 & 2	Parcel 5	Parcel 4	Total
Assessed Value		\$2,997,000,000	\$943,597,100	\$3,379,362,900	\$7,319,960,000
Property Taxes					
1% Property Tax		\$29,970,000	\$9,435,971	\$33,793,629	\$73,199,600
City Share of Property Taxes	10.1% of 1% tax <sup>(2)</sup>	\$3,012,000	\$949,000	\$3,396,000	\$7,357,000
Property Tax In Lieu of VLF	\$0.337 per \$1,000 AV <sup>(1)</sup>	\$1,008,000	\$318,000	\$1,138,000	\$2,464,000

<sup>(1)</sup> Property tax in-lieu of VLF is proportionate to increases in citywide assessed value. Based on the VLF revenue and assessed values for the City of Santa Clara, this results in a ratio of approximately \$0.337 in revenue for each \$1,000 in AV added.

<sup>(2)</sup> City General Fund share of property for applicable TRA per the Santa Clara County Controller.

Table 8
Hotel Transient Occupancy Taxes
Related Santa Clara Project - Scheme A With Minimum Retail

Hotel Transient C	Hotel Transient Occupancy Taxes											
	Rooms		Occupancy <sup>(1)</sup>		Average D	aily Rate	(1)		Room Rev	General Fund Transient Occupancy Tax		
								_		13.50%		
Parcel 5 Hotel	480	Х	80%	Χ	\$350	Х	365	days/yr =	\$49,060,000	\$6,600,000		
Parcel 4 Hotel	220	Х	80%	Х	\$600	Х	365	days/yr =	\$38,540,000	\$5,200,000		
Hotel Tax Total										\$11,800,000		

<sup>(1)</sup> Reflects Related expectations regarding average room rate and occupancy assuming luxury class hotels. Actual performance will vary substantially depending on hotel scale and future market conditions.

Table 9
Retail Sales Tax
Related Santa Clara Project - Scheme A With Minimum Retail

Retail Sales Tax			
	Parcel 5	Parcel 4	Total
Retail /F&B Sq.Ft. (3)	51,000	749,000	800,000
Percent Leasable	100%	90%	
Occupancy	90%	90%	
Sales Per Square Foot (1)	\$900	\$800	
Percent Taxable Sales (2)	90%	90%	90%
Taxable Sales	\$37,000,000	\$437,000,000	\$474,000,000
City share of sales tax rate	1%	1%	1%
City Sales Tax Estimate	\$370,000	\$4,370,000	\$4,740,000

<sup>(1)</sup> Sales per square foot will vary depending on the retail type and sales performance of the store. Sales performance based on information provided by Related, rounded.

<sup>(2)</sup> Assumes some grocery / non-taxable food sales as a component of overall retail mix. Actual will vary depending on type of retail/entertainment.

<sup>(3)</sup> Assumes DDA minimum for retail (800,000 sq.ft.).

Table 10
Projected Electricity Use and SVP Transfers to City General Fund
Related Santa Clara Project - Scheme A With Minimum Retail

Projected Electricity Use											
		Dev	elopment			Electric Use Per Electricity Use (Gigawatt-Hours)					lours)
	Parcel 1/2 Parcel 5 Parcel 4 Total			Unit	or SF (2)	Parcel 1/2	Parcel 5	Parcel 4	Total		
Residential	-	200	1,480	1,680	Units	5,088	kWh/Unit	0.0	1.0	7.5	8.5
Office	3,330,000	415,219	1,659,181	5,404,400	Sq.Ft.	12.70	kWh/SF	42.3	5.3	21.1	68.6
Light Industrial (2)	-	-	-	-	Sq.Ft.	25.40	kWh/SF	0.0	0.0	0.0	0.0
Retail / F&B / Ent.	-	51,000	749,000	800,000	Sq.Ft.	23.85	kWh/SF	0.0	1.2	17.9	19.1
Hotel	-	386,311	191,689	578,000	Sq.Ft.	13.10	kWh/SF	<u>0.0</u>	<u>5.1</u>	<u>2.5</u>	<u>7.6</u>
Total								42.3	12.6	49.0	103.8

<sup>(1)</sup> U.S. Department of Energy, 2018 Commercial Buildings Energy Consumption Survey (CBECS), Pacific Region and 2020 and Residential Energy Consumption Survey (RECS) data for apartments with five or more units.

<sup>(2)</sup> Energy use may vary widely by type of activity. Data on industrial uses not provided by square foot in USDOE survey. Assumption is 2x office energy use per sq.ft..

Projected Silicon Valley Power Transfers to General Fund											
		Parcel 1/2	Parcel 5	Parcel 4	Total						
Electricity Use (Gigawatt-Hours)		42.3	12.6	49.0	103.8						
Percent of SVP Systemwide Use (1)	4,479.6 GW Hr/Yr	0.94%	0.28%	1.09%	2.32%						
Estimated SVP Transfer Revenue (2)	\$34,000,000 24-25 Budgeted SVP Transfers x % systemwide use =	\$321,000	\$95,000	\$372,000	\$788,000						

<sup>(1)</sup> Silicon Valley Power 2023 Fact Sheet

<sup>(2) 5%</sup> of Silicon Valley Power gross revenue is transferred to the City General Fund in accordance with the City Charter. Does not assume on-site power generation.

Table 11 Other Revenues Estimated on Per Capita Basis Related Santa Clara Project - Scheme A With Minimum Retail

			Basis	S		Revenue Factor <sup>(1)</sup>		Revenue Estimate			
	Parcel 1/2	Parcel 5	Parcel 4	Total			Parcel 1/2	Parcel 5	Parcel 4	Total	
Franchise Fees	6,167	1,539	7,592	15,297	resident equiv.	\$27.71 per resident equiv.	\$171,000	\$43,000	\$210,000	\$424,000	
Fines and Penalties	6,167	1,539	7,592	15,297	resident equiv.	\$6.43 per resident equiv.	\$40,000	\$10,000	\$48,000	\$98,000	
Permits and Licenses	6,167	1,539	7,592	15,297	resident equiv.	\$14.67 per resident equiv.	\$90,000	\$23,000	\$111,000	\$224,000	
Business License Tax	12,333	2,117	8,084	22,535	employees	\$45.00 per employee	\$555,000	\$95,000	\$364,000	\$1,014,000	
	0	200	1,480	1,680	res units	\$15.00 per Unit	<u>\$0</u>	\$3,000	\$22,000	\$25,000	
							\$555,000	\$98,000	\$386,000	\$1,039,000	
Total Revenues							\$856,000	\$174,000	\$755,000	\$1,785,000	

<sup>(1)</sup> See Table 5

Table 12 City of Santa Clara FY 2024-25 General Fund Service Costs Related Santa Clara Project - Scheme A With Minimum Retail

City of Santa Clara FY 2024-25 Gene	eral Fund Service Cos	ts
Expense Item	FY 24-25 Budget	Basis for Estimating Service Cost of Project (2)
General Government		
City Council	\$1,176,723	
City Attorney	\$3,205,702	
City Clerk	\$493,346	
Assistant City Clerk	\$1,573,722	
Auditor	\$985,489	
Finance	\$19,012,771	
Human Resources	\$4,439,328	
City Manager	<u>\$5,175,582</u>	
Subtotal General Government	\$36,062,663	\$43.82 per resident equivalent added by Project
Police	\$90,185,180	based on 8 FTEs consistent with DDA
Fire	\$63,324,867	based on estimated number of calls for service to the Project
Parks and Recreation	\$22,809,299	\$55.56 per resident plus estimated maint. cost for City park.
Community Development	\$5,392,464	\$14.1 per resident equivalent added by Project
Public Works	\$26,728,107	\$93.01 per resident equivalent added by Project
Library	\$11,317,625	\$42.83 per resident
Non-Departmental	\$31,638,763	no cost impact from Project
Total Revenues/Transfers	\$287,458,968	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

<sup>(1)</sup> See Table 17 for calculation of per capita variable cost factors.

Table 13
Estimated Police Service Call Generation Rates and Estimated Cost at Buildout Related Santa Clara Project - Scheme A With Minimum Retail

Estimated Police Service Cost At Buildout	
	24-25 Budget
Administrative Services	\$21,108,931
Field Operations	\$47,981,178
Investigations	\$16,934,752
Special Operations	\$4,160,319
Total	\$90,185,180
Number of FTEs FY 24-25	231
Cost Per FTE	\$390,412
Number of FTEs funded by City (1)	8
Police Service Cost Estimate at Buildout	\$3,123,000

<sup>(1)</sup> Per the DDA, developer to fund costs in excess of 8 FTEs, if additional staffing is required.

Police Calls for Service Generation Rat	e Estimate			
	Annual Police Calls for Service (1)	No. of Units, Rooms or Square Feet	Adjustment Factor <sup>(2)</sup>	Service Call Generation Rate Per Unit/Room or 1,000 Square Feet
Element Hotel Santa Clara	11	175	1	0.06
Existing Industrial Area (3)	57	641,235	1	0.0889
Santa Clara Square: Office	36	1,700,000	2	0.0424
Santa Clara Gateway: Office	27	900,000	2	0.0600
Santa Clara Square: Retail	248	166,313	n/a	1.4912
Santa Clara Square: Multifamily	209	1,482	n/a	0.1410

Sources: KMA analysis of data provided by City of Santa Clara Police Department, CoStar.

<sup>(1)</sup> Represents calls for service with Police Beat and location, excluding traffic-related.

<sup>(2)</sup> A comparison to pre-pandemic call generation rates indicates call volume to office uses dropped by approximately half. Estimate based on double the 2023 call generation rate for Santa Clara Gateway.

<sup>(3)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

Table 14
Police Service Cost Estimate
Related Santa Clara Project - Scheme A With Minimum Retail

Police Service Cost Estimat	:e										
		Deve	elopment					Estimated Police Calls for Service			
						Existing					
Estimated Calls for Service	Parcel 1 & 2	Parcel 5	Parcel 4	Total	Call G	eneration Rate <sup>(1)</sup>	Approvals	Parcel 1 & 2	Parcel 5	Parcel 4	Total
Residential	0	200	1,480	1,680 units	0.1410	Per Unit	237	0	28	209	237
Office	3,330,000	415,219	1,659,181	5,404,400 sq.ft.	0.0600	Per 1,000 SF <sup>(2)</sup>	324	200	25	100	324
Light Industrial	0	0	0	0 sq.ft.	0.0889	Per 1,000 SF	0	0	0	0	0
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq.ft.	1.4912	Per 1,000 SF	1,193	0	76	1,117	1,193
Hotel	0	480	220	700 rooms	0.0600	Per Room	<u>42</u>	<u>0</u>	<u>29</u>	<u>13</u>	<u>42</u>
Estimated Total Calls for Se	ervice						1,796	200	158	1,438	1,796
Percent of Estimated Calls for Service							100%	11.1%	8.8%	80.1%	100.0%
Allocaton of Total Police Se	Allocaton of Total Police Service Cost (Table 13) by Parcel, Based on Estimated Calls for Service								\$275,000	\$2,500,000	\$3,123,000

<sup>(1)</sup> See Table 13

<sup>(2)</sup> Uses Santa Clara Gateway call generation rate.

Table 15
Estimated Fire/EMS Service Call Generation Rates and Cost Per Call
Related Santa Clara Project - Scheme A With Minimum Retail

Fire/EMS Calls for Service Generation Rate Estimate											
				Service Call							
			No. of Units,	Generation Rate Per							
	Annual Fire/EMS		Rooms or Square	Unit/Room or 1,000							
	Calls for Service	Data Year <sup>(1)</sup>	Feet	Square Feet							
Element Hotel Santa Clara	6	2023	175	0.0343							
Existing Industrial Area (2)	8	2023	641,235	0.0125							
Santa Clara Square: Office	18	2019	1,700,000	0.0106							
Santa Clara Gateway: Office	46	2019	900,000	0.0511							
Santa Clara Square: Retail	26	2023	166,313	0.1563							
Santa Clara Square: Multifamily	51	2023	1,482	0.0344							

Sources: City of Santa Clara Fire Department, CoStar, Realquest.

<sup>(2)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

Estimated Average Fire/EMS Ser	vice Cost Per Servic	e Call			
	24-25 General	Departmental			
	Fund Budget <sup>(1)</sup>	Revenue (1)	Net Expense	Percent Variable	Variable Cost
Administrative	\$5,124,943	\$0	\$5,124,943	25%	\$1,281,000
Field Operations	\$54,076,635	(\$5,000)	\$54,071,635	100%	\$54,072,000
Community Risk Reduction	\$3,912,419	(\$3,246,000)	\$666,419	50%	\$333,000
Training	\$1,520,632	\$0	\$1,520,632	50%	\$760,000
Office of Emergency Services	\$284,485	\$0	\$284,485	0%	\$0
Emergency Medical Services	<b>\$1,373,117</b>	(\$425,000)	<u>\$948,117</u>	<u>100%</u>	\$948,000
Total	\$66,292,231	(\$3,676,000)	\$62,616,231		\$57,394,000
Fire/EMS Calls For Service, 2023					10,586
Variable Cost Per Fire/EMS Serv	ice Call				\$5,400

<sup>(1)</sup> Based on Santa Clara Open Budget data

<sup>(1)</sup> Calls for service to office uses dropped during the pandemic and are currently affected by high vacancies. For office, 2019 data is used to establish call rates.

Table 16
Fire/EMS Service Cost Estimate
Related Santa Clara Project - Scheme A With Minimum Retail

Fire/EMS Service Cost Estima	ate										
		D	evelopment					Estimated Fire/EMS Calls for Service			
	Parcel 1 &					Ī		Parcel 1 &			
Estimated Calls for Service	2	Parcel 5	Parcel 4	Tota	l	Call (	Generation Rate <sup>(2)</sup>	2	Parcel 5	Parcel 4	Total
Residential	0	200	1,480	1,680	units	0.0344	Per Unit	0	7	51	58
Office	3,330,000	415,219	1,659,181	5,404,400	sq.ft.	0.0511	Per 1,000 SF (1)	170	21	85	276
Light Industrial	0	0	0	0	sq.ft.	0.0125	Per 1,000 SF	0	0	0	0
Retail / F&B / Ent.	0	51,000	749,000	800,000	sq.ft.	0.1563	Per 1,000 SF	0	8	117	125
Hotel	0	480	220	700	rooms	0.0343	Per Room	<u>0</u>	<u>16</u>	<u>8</u>	<u>24</u>
Estimated Total Calls for Serv	vice							170	53	260	483
Estimated Fire/EMS Service Expense = no. of calls x \$5,40					x \$5,40	0 average	e cost per call (2)	\$919,000	\$284,000	\$1,406,000	\$2,609,000

<sup>(1)</sup> Uses Santa Clara Gateway call generation rate.

<sup>(2)</sup> See Table 15

<sup>(3)</sup> Per the DDA, Related to fund extraordinary expenses associated with location on a landfill/hazardous materials, up to 4.5 FTEs, thus these extraordinary costs are not included as an expense of the City.

Table 17
Calculation of Per Capita Variable Cost Factors
Related Santa Clara Project - Scheme A With Minimum Retail

Calculation of Per Capita Variable Cost Factors											
Item	General Fund	Offsetting	Not Eupopoo	Percent Variable Cost	Existing Service		Variable				
	Expense	Revenue	Net Expense		Population		Cost Factor				
Public Works	\$26,728,107	\$3,010,698	\$23,717,409	75%	191,240	resident equiv.	\$93.01	per resident equiv.			
Park and Rec, excl. park maint. (1)	\$14,024,678	\$4,242,557	\$9,782,121	75%	132,048	residents	\$55.56	per resident			
General Government	\$36,062,663	\$2,540,435	\$33,522,228	25%	191,240	resident equiv.	\$43.82	per resident equiv.			
Library	\$11,317,625	\$7,000	\$11,310,625	50%	132,048	residents	\$42.83	per resident			
Community Development	\$5,392,464	\$0	\$5,392,464	50%	191,240	resident equiv.	\$14.10	per resident equiv.			

<sup>(1)</sup> Excludes Parks budget unit (Fund 1132) expenses because Related is required to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism and maintenance of the City Park is not included in the analysis.

Table 18
Other Expenses Estimated on Per Capita Basis
Related Santa Clara Project - Scheme A With Minimum Retail

Other Expenses Estimated on F	Other Expenses Estimated on Per Capita Basis											
	New Service Population				Variable Cost Factor (1)		Expense Estimate					
	Parcel 1/2	Parcel 5	Parcel 4	Total				Parcel 1/2	Parcel 5	Parcel 4	Total	
Public Works	6,167	1,539	7,592	15,297	resident equiv.	\$93.01	per resident equiv	\$574,000	\$143,000	\$706,000	\$1,423,000	
Park & Rec, excl. park maint. (2)	0	480	3,550	4,030	resident equiv.	\$55.56	per resident	\$0	\$27,000	\$197,000	\$224,000	
General Government	6,167	1,539	7,592	15,297	resident equiv.	\$43.82	per resident equiv	\$270,000	\$67,000	\$333,000	\$670,000	
Library	0	480	3,550	4,030	resident equiv.	\$42.83	per resident	\$0	\$21,000	\$152,000	\$173,000	
Community Development	6,167	1,539	7,592	15,297	employees	\$14.10	per resident equiv	\$87,000	\$22,000	\$107,000	\$216,000	
Total Expense	•							\$931,000	\$280,000	\$1,495,000	\$2,706,000	

<sup>(1)</sup> See Table 17

<sup>(2)</sup> Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism. Maintenance of the City Park is not included in the analysis.

# Appendix B Fiscal Impact Analysis Tables Scheme A Full Retail

## Summary

Projected Annual City General Fund Revenues and Service Costs Upon Buildout - Scheme A with Full Retail Related Santa Clara Project - Scheme A With Full Retail

Projected Annual City General Fund Revenues and Ser	vice Costs Upon Bu	ildout - Scheme A	with Full Retail	
	Parcel 1 and 2	Parcel 5	Parcel 4	Total
General Fund Revenues General Fund Service Costs	\$5,198,000 (\$2,069,000)	\$8,506,000 (\$738,000)	\$20,404,000 (\$6,341,000)	\$34,108,000 (\$9,148,000)
Net Annual Fiscal Impact, Without Ground Rent	\$3,129,000	\$7,768,000	\$14,063,000	\$24,960,000
Annual Ground Rent (3)	\$2,500,000	\$1,500,000	\$3,500,000	\$7,500,000
Net Fiscal Impact With Inclusion of Ground Rent	\$5,629,000	\$9,268,000	\$17,563,000	\$32,460,000

#### Notes:

<sup>(1)</sup> Assumes buildout of Scheme A inclusive of 1.5 Million SF of retail.

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

<sup>(3)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center.

Table 1
Projected Annual City General Fund Revenues and Service Costs Upon Buildout (Excludes Ground Rent)
Related Santa Clara Project - Scheme A With Full Retail

	Table Reference	Parcel 1/2	Parcel 5	Parcel 4	Total
General Fund Revenues	_				
Property Tax	Table 7	\$3,012,000	\$949,000	\$4,031,000	\$7,992,000
Sales Tax	Table 9	\$0	\$370,000	\$8,460,000	\$8,830,000
Transient Occupancy Tax	Table 8	\$0	\$6,600,000	\$5,200,000	\$11,800,000
Property Tax In Lieu of VLF	Table 7	\$1,009,000	\$318,000	\$1,350,000	\$2,677,000
Business License Tax	Table 11	\$555,000	\$98,000	\$456,000	\$1,109,000
SVP Transfers	Table 10	\$321,000	\$95,000	\$499,000	\$915,000
Franchise Fees	Table 11	\$171,000	\$43,000	\$232,000	\$446,000
Permits and Licenses	Table 11	\$90,000	\$23,000	\$123,000	\$236,000
Fines and Forfeitures	Table 11	\$40,000	\$10,000	\$53,000	\$103,000
Total Revenues		\$5,198,000	\$8,506,000	\$20,404,000	\$34,108,000
General Fund Service Costs					
Police	Table 14	\$219,000	\$174,000	\$2,729,000	\$3,123,000
Fire/EMS	Table 16	\$919,000	\$284,000	\$1,999,000	\$3,201,000
Public Works	Table 18	\$574,000	\$143,000	\$779,000	\$1,496,000
General Government (2)	Table 18	\$270,000	\$67,000	\$367,000	\$704,000
Park & Rec, except park maint (3)	Table 18	\$0	\$27,000	\$197,000	\$224,000
Community Development	Table 18	\$87,000	\$22,000	\$118,000	\$227,000
Library	Table 18	\$0	\$21,000	\$152,000	\$173,000
Total Expenditures		\$2,069,000	\$738,000	\$6,341,000	\$9,148,000
Net Annual Fiscal Impact		\$3,129,000	\$7,768,000	\$14,063,000	\$24,960,000

#### Notes

<sup>(1)</sup> Includes City Council, City Attorney, City Clerk, Assistant City Clerk, Auditor, Finance, Human Resources, and City Manager departments.

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project. Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism, thus there is no City General Fund maintenance cost for neighborhood parks.

<sup>(3)</sup> Figures do not include ground rent. Ground rent is proposed to increase by a factor of two for any land used for a data center.

<sup>(4)</sup> Assumes buildout of Scheme A, inclusive of 1.5 Million square feet of retail.

Table 2
Development Program - Scheme A with Full Retail
Related Santa Clara Project - Scheme A With Full Retail

<b>Development Progr</b>	Development Program - Scheme A with Full Retail												
	Parcel 1 & 2	Parcel 5		Parce	el 4	Total							
	Building Area	Building Area	Units/Rooms	Building Area	<u>Units/Rooms</u>	Building Area	Units/Rooms						
Residential	0 sq.ft.	191,601 sq.ft.	200 units	1,488,399 sq.ft.	1,480 units	1,680,000 sq.ft.	1,680 units						
Office Light Industrial	3,330,000 sq.ft. 0 sq.ft.	415,219 sq.ft. 0 sq.ft.		1,659,181 sq.ft. 0 sq.ft.		5,404,400 sq.ft. 0 sq.ft.							
Retail / F&B / Ent.	0 sq.ft.	51,000 sq.ft.		1,451,000 sq.ft.		1,502,000 sq.ft.							
Hotel	0 sq.ft.	386,311 sq.ft.	480 rooms	191,689 sq.ft.	220 rooms	578,000 sq.ft.	700 rooms						
Total	3,330,000 sq.ft.	1,044,131 sq.ft.		4,790,269 sq.ft.		9,164,400 sq.ft.							

Note: the proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

Table 3
Existing City of Santa Clara Population and Employment
Related Santa Clara Project - Scheme A With Full Retail

Existing City of Santa Clara Population and Employment									
Population (1)			132,048						
Employment (2)			118,384						
Resident Equivalents (3)	0.5 per worker	1.0 per resident	191,240						

- (1) California Department of Finance. Table E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2024.
- (2) U.S. Census Longitudinal Employer-Household Dynamics, 2022 Work Area Profile Analysis for City of Santa Clara.
- (3) Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

Table 4
Project Population and Employment Estimate
Related Santa Clara Project - Scheme A With Full Retail

Project Population and E	mployment Estimat	:e	D 11: /5 1			Destalent
	_		Population / Employment			Resident
	Proposed	Uses	Factor (1)	Population	Employees	Equivalents <sup>(2)</sup>
Parcel 1 and 2						
Residential	0	units	2.40 population per unit	-	-	-
			32 units/employee			
Office	3,330,000	sq.ft.	270 sq.ft./employee	-	12,333	6,167
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	0	sq.ft.	450 sq.ft./employee	-	-	-
Hotel	0	sq.ft.	840 sq.ft./employee		-	-
Subtotal				0	12,333	6,167
Parcel 5						
Residential	200	units	2.40 population per unit	480	6	483
			32 units/employee			
Office	415,219	sq.ft.	270 sq.ft./employee	-	1,538	769
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	51,000	sq.ft.	450 sq.ft./employee	-	113	57
Hotel	386,311	sq.ft.	840 sq.ft./employee	-	460	230
Subtotal				480	2,117	1,539
Parcel 4						
Residential	1,480	units	2.40 population per unit	3,550	46	3,573
			32 units/employee			
Office	1,659,181	sq.ft.	270 sq.ft./employee	-	6,145	3,073
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	1,451,000	sq.ft.	450 sq.ft./employee	-	3,224	1,612
Hotel	191,689	sq.ft.	840 sq.ft./employee	-	228	114
Subtotal		-		3,550	9,644	8,372
Total				4,030	24,095	16,077

<sup>(1)</sup> Factors based on the Draft CEQA checklist.

<sup>(2)</sup> Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

<sup>(3)</sup> As a conservative assumption existing (primarily off-site) employees are not deducted, as in the CEQA checklist.

Table 5 City of Santa Clara FY 2024-25 General Fund Revenues by Source Related Santa Clara Project - Scheme A With Full Retail

City of Santa Clara FY 2024-	25 General Func	Revenues by Source
	FY 24-25	
Revenue Source	<u>Budget</u>	Basis for Estimating Revenue to be Generated by Project
Revenue Categories with a F	Projected Increas	se from Project
Property Tax	\$89,545,000	10.05% x 1% basic levy x estimated Assessed Value
Sales Tax	\$62,352,000	1% of estimated taxable sales
Transient Occupancy Tax	\$23,650,000	13.5% of estimated room sales
Franchise Tax	\$5,300,000	\$27.71 per resident equivalent (=\$5,300,000 / 191,240 existing resident equivalents)
Business Licenses	\$6,000,000	\$45 per employee and \$15 per resident
Other Licenses and Permits	\$2,806,000	\$14.67 per resident equivalent (=\$2,806,000 / 191,240 existing resident equivalents)
Other Services Fees	\$39,253,418	estimated as an offset to departmental expenses, where applicable
Fines and Penalties	\$1,230,000	\$6.43 per resident equivalent (=\$1,230,000 / 191,240 existing resident equivalents)
SVP Transfer	\$34,000,000	proportionate to increase in SVP electricity demand from Project
Subtotal	\$264,136,418	
Revenue Categories with No	Projected Incre	ase from Project
Documentary Transfer Tax	\$1,632,000	Not estimated due to long hold periods for commercial property
Rents and Leases	\$15,150,269	ground rent provided as consideration for City land is not included in projection
State/Other Agencies	\$520,000	not estimated
Interest	\$3,708,000	not estimated
Other Revenue	\$180,000	not estimated
Transfers In	\$2,015,294	not estimated
Subtotal	\$23,205,563	
Total Revenues	\$287,341,981	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

Table 6
Assessed Value Estimate
Related Santa Clara Project - Scheme A With Full Retail

Assessed Value E	Stimate Upo	n Buildout							
	Development				AV Factor <sup>(1)</sup>		Estimated As	sessed Value	
	Parcel 1/2	Parcel 5	Parcel 4	Total		Parcel 1/2	Parcel 5	Parcel 4	Total
Residential	0	200	1,480	1,680 units	\$700,000 /unit	\$0	\$140,000,000	\$1,036,000,000	\$1,176,000,000
Office	3,330,000	415,219	1,659,181	5,404,400 sq.ft.	\$900 /sq.ft.	\$2,997,000,000	\$373,697,100	\$1,493,262,900	\$4,863,960,000
Light Industrial	0	0	0	0 sq.ft.	\$400 /sq.ft.	\$0	\$0	\$0	\$0
Retail / F&B / Ent.	0	51,000	1,451,000	1,502,000 sq.ft.	\$900 /sq.ft.	\$0	\$45,900,000	\$1,305,900,000	\$1,351,800,000
Hotel	0	480	220	700 Rooms	\$800,000 /room	\$0	\$384,000,000	\$176,000,000	\$560,000,000
Total						\$2,997,000,000	\$943,597,100	\$4,011,162,900	\$7,951,760,000

<sup>(1)</sup> Assessed value estimates are based upon review of assessed values for other recently built projects, estimates provided by the developer, and recent industrial building sales data.

Table 7
Property Tax and Property Tax In-Lieu of VLF Estimate
Related Santa Clara Project - Scheme A With Full Retail

Property Tax and Property Tax In-	Lieu of VLF Estimate				
		Parcel 1 & 2	Parcel 5	Parcel 4	Total
Assessed Value		\$2,997,000,000	\$943,597,100	\$4,011,162,900	\$7,951,760,000
Property Taxes					
1% Property Tax		\$29,970,000	\$9,435,971	\$40,111,629	\$79,517,600
City Share of Property Taxes	10.1% of 1% tax <sup>(2)</sup>	\$3,012,000	\$949,000	\$4,031,000	\$7,992,000
Property Tax In Lieu of VLF	\$0.337 per \$1,000 AV <sup>(1)</sup>	\$1,009,000	\$318,000	\$1,350,000	\$2,677,000

<sup>(1)</sup> Property tax in-lieu of VLF is proportionate to increases in citywide assessed value. Based on the VLF revenue and assessed values for the City of Santa Clara, this results in a ratio of approximately \$0.337 in revenue for each \$1,000 in AV added.

<sup>(2)</sup> City General Fund share of property for applicable TRA per the Santa Clara County Controller.

Table 8
Hotel Transient Occupancy Taxes
Related Santa Clara Project - Scheme A With Full Retail

Hotel Transient C	occupancy	Ta	xes							
	Rooms		Occupancy <sup>(1)</sup>		Average D	aily Rate	(1)		Room Rev	General Fund Transient Occupancy Tax
								<del>-</del>		13.50%
Parcel 5 Hotel	480	Χ	80%	Χ	\$350	Х	365	days/yr =	\$49,060,000	\$6,600,000
Parcel 4 Hotel	220	Χ	80%	Χ	\$600	Х	365	days/yr =	\$38,540,000	\$5,200,000
Hotel Tax Total										\$11,800,000

<sup>(1)</sup> Reflects Related expectations regarding average room rate and occupancy assuming luxury class hotels. Actual performance will vary substantially depending on hotel scale and future market conditions.

Table 9
Retail Sales Tax
Related Santa Clara Project - Scheme A With Full Retail

Retail Sales Tax			
	Parcel 5	Parcel 4	Total
Retail /F&B Sq.Ft.	51,000	1,451,000	1,502,000
Percent Leasable	100%	90%	
Occupancy	90%	90%	
Sales Per Square Foot (1)	\$900	\$800	
Percent Taxable Sales (2)	90%	90%	90%
Taxable Sales	\$37,000,000	\$846,000,000	\$883,000,000
City share of sales tax rate	1%	1%	1%
City Sales Tax Estimate	\$370,000	\$8,460,000	\$8,830,000

<sup>(1)</sup> Sales per square foot will vary depending on the retail type and sales performance of the store. Sales performance based on information provided by Related, rounded.

<sup>(2)</sup> Assumes some grocery / non-taxable food sales as a component of overall retail mix. Actual will vary depending on type of retail/entertainment.

Table 10
Projected Electricity Use and SVP Transfers to City General Fund
Related Santa Clara Project - Scheme A With Full Retail

Projected Electricity Use											
		Dev	elopment				c Use Per	Electricity Use (Gigawatt-Hours)			
	Parcel 1/2	Parcel 5	Parcel 4	Tota		Unit or SF (2)		Parcel 1/2	Parcel 5	Parcel 4	Total
Residential	-	200	1,480	1,680	Units	5,088	kWh/Unit	0.0	1.0	7.5	8.5
Office	3,330,000	415,219	1,659,181	5,404,400	Sq.Ft.	12.70	kWh/SF	42.3	5.3	21.1	68.6
Light Industrial (2)	-	-	-	-	Sq.Ft.	25.40	kWh/SF	0.0	0.0	0.0	0.0
Retail / F&B / Ent.	-	51,000	1,451,000	1,502,000	Sq.Ft.	23.85	kWh/SF	0.0	1.2	34.6	35.8
Hotel	-	386,311	191,689	578,000	Sq.Ft.	13.10	kWh/SF	0.0	<u>5.1</u>	<u>2.5</u>	<u>7.6</u>
Total								42.3	12.6	65.7	120.6

<sup>(1)</sup> U.S. Department of Energy, 2018 Commercial Buildings Energy Consumption Survey (CBECS), Pacific Region and 2020 and Residential Energy Consumption Survey (RECS) data for apartments with five or more units.

<sup>(2)</sup> Energy use may vary widely by type of activity. Data on industrial uses not provided by square foot in USDOE survey. Assumption is 2x office energy use per sq.ft..

<b>Projected Silicon Valley Power Transfers</b>	Projected Silicon Valley Power Transfers to General Fund										
		Parcel 1/2	Parcel 5	Parcel 4	Total						
Electricity Use (Gigawatt-Hours)		42.3	12.6	65.7	120.6						
Percent of SVP Systemwide Use (1)	4,479.6 GW Hr/Yr	0.94%	0.28%	1.47%	2.69%						
Estimated SVP Transfer Revenue (2)	\$34,000,000 24-25 Budgeted SVP Transfers x % systemwide use =	\$321,000	\$95,000	\$499,000	\$915,000						

<sup>(1)</sup> Silicon Valley Power 2023 Fact Sheet

<sup>(2) 5%</sup> of Silicon Valley Power gross revenue is transferred to the City General Fund in accordance with the City Charter. Does not assume on-site power generation.

Table 11 Other Revenues Estimated on Per Capita Basis Related Santa Clara Project - Scheme A With Full Retail

		·	Basis	S		Revenue Factor <sup>(1)</sup>		Revenue Estimate				
	Parcel 1/2	Parcel 5	Parcel 4	Total			Parcel 1/2	Parcel 5	Parcel 4	Total		
Franchise Fees	6,167	1,539	8,372	16,077	resident equiv.	\$27.71 per resident equiv.	\$171,000	\$43,000	\$232,000	\$446,000		
Fines and Penalties	6,167	1,539	8,372	16,077	resident equiv.	\$6.43 per resident equiv.	\$40,000	\$10,000	\$53,000	\$103,000		
Permits and Licenses	6,167	1,539	8,372	16,077	resident equiv.	\$14.67 per resident equiv.	\$90,000	\$23,000	\$123,000	\$236,000		
Business License Tax	12,333	2,117	9,644	24,095	employees	\$45.00 per employee	\$555,000	\$95,000	\$434,000	\$1,084,000		
	0	200	1,480	1,680	res units	\$15.00 per Unit	<u>\$0</u>	\$3,000	\$22,000	\$25,000		
							\$555,000	\$98,000	\$456,000	\$1,109,000		
Total Revenues							\$856,000	\$174,000	\$864,000	\$1,894,000		

<sup>(1)</sup> See Table 5

Table 12 City of Santa Clara FY 2024-25 General Fund Service Costs Related Santa Clara Project - Scheme A With Full Retail

City of Santa Clara FY 2024-25 Gene	eral Fund Service Cos	ts
Expense Item	FY 24-25 Budget	Basis for Estimating Service Cost of Project (2)
General Government		
City Council	\$1,176,723	
City Attorney	\$3,205,702	
City Clerk	\$493,346	
Assistant City Clerk	\$1,573,722	
Auditor	\$985,489	
Finance	\$19,012,771	
Human Resources	\$4,439,328	
City Manager	<u>\$5,175,582</u>	
Subtotal General Government	\$36,062,663	\$43.82 per resident equivalent added by Project
Police	\$90,185,180	based on 8 FTEs consistent with DDA
Fire	\$63,324,867	based on estimated number of calls for service to the Project
Parks and Recreation	\$22,809,299	\$55.56 per resident plus estimated maint. cost for City park.
Community Development	\$5,392,464	\$14.1 per resident equivalent added by Project
Public Works	\$26,728,107	\$93.01 per resident equivalent added by Project
Library	\$11,317,625	\$42.83 per resident
Non-Departmental	\$31,638,763	no cost impact from Project
Total Revenues/Transfers	\$287,458,968	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

<sup>(1)</sup> See Table 17 for calculation of per capita variable cost factors.

Table 13
Estimated Police Service Call Generation Rates and Estimated Cost at Buildout Related Santa Clara Project - Scheme A With Full Retail

Estimated Police Service Cost At Buildout	
	24-25 Budget
Administrative Services	\$21,108,931
Field Operations	\$47,981,178
Investigations	\$16,934,752
Special Operations	\$4,160,319
Total	\$90,185,180
Number of FTEs FY 24-25	231
Cost Per FTE	\$390,412
Number of FTEs funded by City (1)	8
Police Service Cost Estimate at Buildout	\$3,123,000

<sup>(1)</sup> Per the DDA, developer to fund costs in excess of 8 FTEs, if additional staffing is required.

Police Calls for Service Generation Rat	e Estimate			
	Annual Police Calls for Service (1)	No. of Units, Rooms or Square Feet	Adjustment Factor <sup>(2)</sup>	Service Call Generation Rate Per Unit/Room or 1,000 Square Feet
Element Hotel Santa Clara	11	175	1	0.06
Existing Industrial Area (3)	57	641,235	1	0.0889
Santa Clara Square: Office	36	1,700,000	2	0.0424
Santa Clara Gateway: Office	27	900,000	2	0.0600
Santa Clara Square: Retail	248	166,313	n/a	1.4912
Santa Clara Square: Multifamily	209	1,482	n/a	0.1410

Sources: KMA analysis of data provided by City of Santa Clara Police Department, CoStar.

<sup>(1)</sup> Represents calls for service with Police Beat and location, excluding traffic-related.

<sup>(2)</sup> A comparison to pre-pandemic call generation rates indicates call volume to office uses dropped by approximately half. Estimate based on double the 2023 call generation rate for Santa Clara Gateway.

<sup>(3)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

Table 14
Police Service Cost Estimate
Related Santa Clara Project - Scheme A With Full Retail

Police Service Cost Estimat	:e											
		Deve	elopment					Estimated Police Calls for Service				
							Existing					
Estimated Calls for Service	Parcel 1 & 2	Parcel 5	Parcel 4	Total	Call	Generation Rate <sup>(1)</sup>	Approvals	Parcel 1 & 2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680 units	0.141	0 Per Unit	237	0	28	209	237	
Office	3,330,000	415,219	1,659,181	5,404,400 sq.ft	0.060	O Per 1,000 SF <sup>(2)</sup>	324	200	25	100	324	
Light Industrial	0	0	0	0 sq.ft	0.088	9 Per 1,000 SF	0	0	0	0	0	
Retail / F&B / Ent.	0	51,000	1,451,000	1,502,000 sq.ft	1.491	2 Per 1,000 SF	1,193	0	76	2,164	2,240	
Hotel	0	480	220	700 room	s 0.060	O Per Room	<u>42</u>	<u>0</u>	<u>29</u>	<u>13</u>	<u>42</u>	
Estimated Total Calls for Se	ervice						1,796	200	158	2,485	2,843	
Percent of Estimated Calls for Service							100%	7.0%	5.6%	87.4%	100.0%	
Allocaton of Total Police Se	Allocaton of Total Police Service Cost (Table 13) by Parcel, Based on Estimated Calls for Service								\$174,000	\$2,729,000	\$3,123,000	

<sup>(1)</sup> See Table 13

<sup>(2)</sup> Uses Santa Clara Gateway call generation rate.

Table 15
Estimated Fire/EMS Service Call Generation Rates and Cost Per Call
Related Santa Clara Project - Scheme A With Full Retail

Fire/EMS Calls for Service Gener	ation Rate Estimate			
				Service Call
			No. of Units,	Generation Rate Per
	Annual Fire/EMS		Rooms or Square	Unit/Room or 1,000
	Calls for Service	Data Year <sup>(1)</sup>	Feet	Square Feet
Element Hotel Santa Clara	6	2023	175	0.0343
Existing Industrial Area (2)	8	2023	641,235	0.0125
Santa Clara Square: Office	18	2019	1,700,000	0.0106
Santa Clara Gateway: Office	46	2019	900,000	0.0511
Santa Clara Square: Retail	26	2023	166,313	0.1563
Santa Clara Square: Multifamily	51	2023	1,482	0.0344

Sources: City of Santa Clara Fire Department, CoStar, Realquest.

<sup>(2)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

	24-25 General	<u>Departmental</u>	Not Employe	Danie ak Vadable	Madalah Osak
	Fund Budget <sup>(1)</sup>	Revenue (1)	Net Expense	Percent Variable	Variable Cost
Administrative	\$5,124,943	\$0	\$5,124,943	25%	\$1,281,000
Field Operations	\$54,076,635	(\$5,000)	\$54,071,635	100%	\$54,072,000
Community Risk Reduction	\$3,912,419	(\$3,246,000)	\$666,419	50%	\$333,000
Training	\$1,520,632	\$0	\$1,520,632	50%	\$760,000
Office of Emergency Services	\$284,485	\$0	\$284,485	0%	\$0
Emergency Medical Services	\$1,373,117	(\$425,000)	<u>\$948,117</u>	<u>100%</u>	\$948,000
Total	\$66,292,231	(\$3,676,000)	\$62,616,231		\$57,394,000
Fire/EMS Calls For Service, 2023					10,586
Variable Cost Per Fire/EMS Serv	rice Call				\$5,400

<sup>(1)</sup> Based on Santa Clara Open Budget data

<sup>(1)</sup> Calls for service to office uses dropped during the pandemic and are currently affected by high vacancies. For office, 2019 data is used to establish call rates.

Table 16
Fire/EMS Service Cost Estimate
Related Santa Clara Project - Scheme A With Full Retail

Fire/EMS Service Cost Estima	ate										
			)evelopment				Estimated Fire/EMS Calls for Service				
	Parcel 1 &						Parcel 1 &				
Estimated Calls for Service	2	Parcel 5	Parcel 4	Total	Call G	Generation Rate <sup>(2)</sup>	2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680 units	0.0344	Per Unit	0	7	51	58	
Office	3,330,000	415,219	1,659,181	5,404,400 sq.ft.	0.0511	Per 1,000 SF (1)	170	21	85	276	
Light Industrial	0	0	0	0 sq.ft.	0.0125	Per 1,000 SF	0	0	0	0	
Retail / F&B / Ent.	0	51,000	1,451,000	1,502,000 sq.ft.	0.1563	Per 1,000 SF	0	8	227	235	
Hotel	0	480	220	700 rooms	0.0343	Per Room	<u>0</u>	<u>16</u>	<u>8</u>	<u>24</u>	
Estimated Total Calls for Ser	vice						170	53	370	593	
Estimated Fire/EMS Service I	Expense			= no. of calls x \$5,40	0 average	cost per call (2)	\$919,000	\$284,000	\$1,999,000	\$3,201,000	

<sup>(1)</sup> Uses Santa Clara Gateway call generation rate.

<sup>(2)</sup> See Table 15

<sup>(3)</sup> Per the DDA, Related to fund extraordinary expenses associated with location on a landfill/hazardous materials, up to 4.5 FTEs, thus these extraordinary costs are not included as an expense of the City.

Table 17
Calculation of Per Capita Variable Cost Factors
Related Santa Clara Project - Scheme A With Full Retail

Calculation of Per Capita Variable Cost Factors										
Item	General Fund Expense	Offsetting Revenue	Net Expense	Percent Variable Cost	Existing Service Population		Variable Cost Factor			
Public Works	\$26,728,107	\$3,010,698	\$23,717,409	75%	191,240	resident equiv.	\$93.01	per resident equiv.		
Park and Rec, excl. park maint. (1)	\$14,024,678	\$4,242,557	\$9,782,121	75%	132,048	residents	\$55.56	per resident		
General Government	\$36,062,663	\$2,540,435	\$33,522,228	25%	191,240	resident equiv.	\$43.82	per resident equiv.		
Library	\$11,317,625	\$7,000	\$11,310,625	50%	132,048	residents	\$42.83	per resident		
Community Development	\$5,392,464	\$0	\$5,392,464	50%	191,240	resident equiv.	\$14.10	per resident equiv.		

<sup>(1)</sup> Excludes Parks budget unit (Fund 1132) expenses because Related is required to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism and maintenance of the City Park is not included in the analysis.

Table 18 Other Expenses Estimated on Per Capita Basis Related Santa Clara Project - Scheme A With Full Retail

Other Expenses Estimated on Per Capita Basis											
	New Service Population						Variable Cost Factor (1)		Expense Estimate		
	Parcel 1/2	Parcel 5	Parcel 4	Total				Parcel 1/2	Parcel 5	Parcel 4	Total
Public Works	6,167	1,539	8,372	16,077	resident equiv.	\$93.01	per resident equiv	\$574,000	\$143,000	\$779,000	\$1,496,000
Park & Rec, excl. park maint. (2)	0	480	3,550	4,030	resident equiv.	\$55.56	per resident	\$0	\$27,000	\$197,000	\$224,000
General Government	6,167	1,539	8,372	16,077	resident equiv.	\$43.82	per resident equiv	\$270,000	\$67,000	\$367,000	\$704,000
Library	0	480	3,550	4,030	resident equiv.	\$42.83	per resident	\$0	\$21,000	\$152,000	\$173,000
Community Development	6,167	1,539	8,372	16,077	employees	\$14.10	per resident equiv	\$87,000	\$22,000	\$118,000	\$227,000
Total Expense								\$931,000	\$280,000	\$1,613,000	\$2,824,000

<sup>(1)</sup> See Table 17

<sup>(2)</sup> Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism. Maintenance of the City Park is not included in the analysis.

Appendix C
Fiscal Impact Analysis Tables
Scheme C

# Summary Projected Annual City General Fund Revenues and Service Costs Upon Buildout - Scheme C Related Santa Clara Project - Scheme C

Projected Annual City General Fund Revenues and Service Costs Upon Buildout - Scheme C										
	Parcel 1 and 2	Parcel 5	Parcel 4	Total						
General Fund Revenues General Fund Service Costs	\$1,502,000 (\$709,000)	\$8,505,000 (\$826,000)	\$19,044,000 (\$6,882,000)	\$29,051,000 (\$8,417,000)						
Net Annual Fiscal Impact, Without Ground Rent	\$793,000	\$7,679,000	\$12,162,000	\$20,634,000						
Annual Ground Rent <sup>(2)</sup>	\$2,500,000	\$1,500,000	\$3,500,000	\$7,500,000						
Net Fiscal Impact With Inclusion of Ground Rent	\$3,293,000	\$9,179,000	\$15,662,000	\$28,134,000						

### Notes:

<sup>(1)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

<sup>(2)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center.

Table 1
Projected Annual City General Fund Revenues and Service Costs Upon Buildout (Excludes Ground Rent)
Related Santa Clara Project - Scheme C

	Table Reference	Parcel 1/2	Parcel 5	Parcel 4	Total
General Fund Revenues					
Property Tax	Table 7	\$643,000	\$948,000	\$5,606,000	\$7,197,000
Sales Tax	Table 9	\$0	\$370,000	\$4,370,000	\$4,740,000
Transient Occupancy Tax	Table 8	\$0	\$6,600,000	\$5,200,000	\$11,800,000
Property Tax In Lieu of VLF	Table 7	\$215,000	\$318,000	\$1,878,000	\$2,411,000
Business License Tax	Table 11	\$218,000	\$98,000	\$792,000	\$1,108,000
SVP Transfers	Table 10	\$308,000	\$95,000	\$606,000	\$1,009,000
Franchise Fees	Table 11	\$67,000	\$43,000	\$336,000	\$446,000
Permits and Licenses	Table 11	\$35,000	\$23,000	\$178,000	\$236,000
Fines and Forfeitures	Table 11	\$16,000	\$10,000	\$78,000	\$104,000
Total Revenues		\$1,502,000	\$8,505,000	\$19,044,000	\$29,051,000
General Fund Service Costs					
Police	Table 14	\$236,000	\$262,000	\$2,625,000	\$3,123,000
Fire/EMS	Table 16	\$108,000	\$284,000	\$2,080,000	\$2,472,000
Public Works	Table 18	\$225,000	\$143,000	\$1,126,000	\$1,494,000
General Government (2)	Table 18	\$106,000	\$67,000	\$531,000	\$704,000
Park & Rec, except park maint (3)	Table 18	\$0	\$27,000	\$197,000	\$224,000
Community Development	Table 18	\$34,000	\$22,000	\$171,000	\$227,000
Library	Table 18	\$0	\$21,000	\$152,000	\$173,000
Total Expenditures		\$709,000	\$826,000	\$6,882,000	\$8,417,000
Net Annual Fiscal Impact		\$793,000	\$7,679,000	\$12,162,000	\$20,634,000

#### Notes

<sup>(1)</sup> Includes City Council, City Attorney, City Clerk, Assistant City Clerk, Auditor, Finance, Human Resources, and City Manager departments.

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project. Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism, thus there is no City General Fund maintenance cost for neighborhood parks.

<sup>(3)</sup> Figures do not include ground rent. Ground rent is proposed to increase by a factor of two for any land used for a data center.

<sup>(4)</sup> Assumes buildout of Scheme C.

Table 2
Development Program - Scheme C
Related Santa Clara Project - Scheme C

<b>Development Progr</b>	Development Program - Scheme C											
	Parcel 1 & 2	Parcel	5	Parce	el 4	Total						
	Building Area	Building Area	Units/Rooms	Building Area	<u>Units/Rooms</u>	Building Area	Units/Rooms					
Residential	0 sq.ft.	191,601 sq.ft.	200 units	1,488,399 sq.ft.	1,480 units	1,680,000 sq.ft.	1,680 units					
Office Light Industrial Retail / F&B / Ent.	0 sq.ft. 1,600,000 sq.ft.	415,219 sq.ft. 0 sq.ft. 51,000 sq.ft.		4,102,181 sq.ft. 0 sq.ft.		4,517,400 sq.ft. 1,600,000 sq.ft.						
Hotel	0 sq.ft. 0 sq.ft.	386,311 sq.ft.	480 rooms	749,000 sq.ft. 180,689 sq.ft.	220 rooms	800,000 sq.ft. 567,000 sq.ft.	700 rooms					
Total	1,600,000 sq.ft.	1,044,131 sq.ft.		6,520,269 sq.ft.		9,164,400 sq.ft.						

Note: the proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

Table 3
Existing City of Santa Clara Population and Employment
Related Santa Clara Project - Scheme C

Existing City of Santa Clara Population and Employment								
Population (1)			132,048					
Employment (2)			118,384					
Resident Equivalents (3)	0.5 per worker	1.0 per resident	191,240					

- (1) California Department of Finance. Table E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2024.
- (2) U.S. Census Longitudinal Employer-Household Dynamics, 2022 Work Area Profile Analysis for City of Santa Clara.
- (3) Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

Table 4
Project Population and Employment Estimate
Related Santa Clara Project - Scheme C

Project Population and E	mployment Estimat	te				
			Population / Employment			Resident
	Proposed	Uses	Factor (1)	Population	<b>Employees</b>	Equivalents <sup>(2)</sup>
Parcel 1 and 2	<u> </u>					
Residential	0	units	2.40 population per unit	-	-	-
			32 units/employee			
Office	0	sq.ft.	270 sq.ft./employee	-	-	-
Light Industrial	1,600,000	sq.ft.	331 sq.ft./employee	-	4,834	2,417
Retail / F&B / Ent.	0	sq.ft.	450 sq.ft./employee	-	-	-
Hotel	0	sq.ft.	840 sq.ft./employee	_	-	-
Subtotal				0	4,834	2,417
Parcel 5						
Residential	200	units	2.40 population per unit	480	6	483
			32 units/employee			
Office	415,219	sq.ft.	270 sq.ft./employee	-	1,538	769
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	51,000	sq.ft.	450 sq.ft./employee	-	113	57
Hotel	386,311	sq.ft.	840 sq.ft./employee	-	460	230
Subtotal				480	2,117	1,539
Parcel 4						
Residential	1,480	units	2.40 population per unit	3,550	46	3,573
			32 units/employee			
Office	4,102,181	sq.ft.	270 sq.ft./employee	-	15,193	7,597
Light Industrial	0	sq.ft.	331 sq.ft./employee	-	-	-
Retail / F&B / Ent.	749,000	sq.ft.	450 sq.ft./employee	-	1,664	832
Hotel	180,689	sq.ft.	840 sq.ft./employee	_	215	108
Subtotal				3,550	17,119	12,110
Total				4,030	24,070	16,065

<sup>(1)</sup> Factors based on the Draft CEQA checklist.

<sup>(2)</sup> Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

<sup>(3)</sup> As a conservative assumption existing (primarily off-site) employees are not deducted, as in the CEQA checklist.

Table 5 City of Santa Clara FY 2024-25 General Fund Revenues by Source Related Santa Clara Project - Scheme C

City of Santa Clara FY 2024-25 General Fund Revenues by Source										
	FY 24-25									
Revenue Source	<u>Budget</u>	Basis for Estimating Revenue to be Generated by Project								
Revenue Categories with a Projected Increase from Project										
Property Tax	\$89,545,000	10.05% x 1% basic levy x estimated Assessed Value								
Sales Tax	\$62,352,000	1% of estimated taxable sales								
Transient Occupancy Tax	\$23,650,000	13.5% of estimated room sales								
Franchise Tax	\$5,300,000	\$27.71 per resident equivalent (=\$5,300,000 / 191,240 existing resident equivalents)								
Business Licenses	\$6,000,000	\$45 per employee and \$15 per resident								
Other Licenses and Permits	\$2,806,000	\$14.67 per resident equivalent (=\$2,806,000 / 191,240 existing resident equivalents)								
Other Services Fees	\$39,253,418	estimated as an offset to departmental expenses, where applicable								
Fines and Penalties	\$1,230,000	\$6.43 per resident equivalent (=\$1,230,000 / 191,240 existing resident equivalents)								
SVP Transfer	\$34,000,000	proportionate to increase in SVP electricity demand from Project								
Subtotal	\$264,136,418									
Revenue Categories with No	Projected Incre	ase from Project								
Documentary Transfer Tax	\$1,632,000	Not estimated due to long hold periods for commercial property								
Rents and Leases	\$15,150,269	ground rent provided as consideration for City land is not included in projection								
State/Other Agencies	\$520,000	not estimated								
Interest	\$3,708,000	not estimated								
Other Revenue	\$180,000	not estimated								
Transfers In	\$2,015,294	not estimated								
Subtotal	\$23,205,563									
Total Revenues	\$287,341,981									

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

Table 6
Assessed Value Estimate
Related Santa Clara Project - Scheme C

Assessed Value E	Assessed Value Estimate Upon Buildout										
		De	velopment		AV Factor <sup>(1)</sup>		Estimated Assessed Value				
	Parcel 1/2	Parcel 5	Parcel 4	Total		Parcel 1/2	Parcel 5	Parcel 4	Total		
Residential	0	200	1,480	1,680 units	\$700,000 /unit	\$0	\$140,000,000	\$1,036,000,000	\$1,176,000,000		
Office	0	415,219	4,102,181	4,517,400 sq.ft.	\$900 /sq.ft.	\$0	\$373,697,100	\$3,691,962,900	\$4,065,660,000		
Light Industrial	1,600,000	0	0	1,600,000 sq.ft.	\$400 /sq.ft.	\$640,000,000	\$0	\$0	\$640,000,000		
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq.ft.	\$900 /sq.ft.	\$0	\$45,900,000	\$674,100,000	\$720,000,000		
Hotel	0	480	220	700 Rooms	\$800,000 /room	\$0	\$384,000,000	\$176,000,000	\$560,000,000		
Total						\$640,000,000	\$943,597,100	\$5,578,062,900	\$7,161,660,000		

<sup>(1)</sup> Assessed value estimates are based upon review of assessed values for other recently built projects, estimates provided by the developer, and recent industrial building sales data.

Table 7
Property Tax and Property Tax In-Lieu of VLF Estimate
Related Santa Clara Project - Scheme C

Property Tax and Property Tax In-	Lieu of VLF Estimate				
		Parcel 1 & 2	Parcel 5	Parcel 4	Total
Assessed Value		\$640,000,000	\$943,597,100	\$5,578,062,900	\$7,161,660,000
Property Taxes					
1% Property Tax		\$6,400,000	\$9,435,971	\$55,780,629	\$71,616,600
City Share of Property Taxes	10.1% of 1% tax <sup>(2)</sup>	\$643,000	\$948,000	\$5,606,000	\$7,197,000
Property Tax In Lieu of VLF	\$0.337 per \$1,000 AV <sup>(1)</sup>	\$215,000	\$318,000	\$1,878,000	\$2,411,000

<sup>(1)</sup> Property tax in-lieu of VLF is proportionate to increases in citywide assessed value. Based on the VLF revenue and assessed values for the City of Santa Clara, this results in a ratio of approximately \$0.337 in revenue for each \$1,000 in AV added.

<sup>(2)</sup> City General Fund share of property for applicable TRA per the Santa Clara County Controller.

Table 8 Hotel Transient Occupancy Taxes Related Santa Clara Project - Scheme C

Hotel Transient Occupancy Taxes										
	Rooms		Occupancy <sup>(1)</sup>		Average Da	aily Rate	(1)		Room Rev	General Fund Transient Occupancy Tax
										13.50%
Parcel 5 Hotel	480	Х	80%	Х	\$350	Χ	365	days/yr =	\$49,060,000	\$6,600,000
Parcel 4 Hotel	220	Χ	80%	Χ	\$600	Х	365	days/yr =	\$38,540,000	\$5,200,000
Hotel Tax Total										\$11,800,000

<sup>(1)</sup> Reflects Related expectations regarding average room rate and occupancy assuming luxury class hotels. Actual performance will vary substantially depending on hotel scale and future market conditions.

Table 9
Retail Sales Tax
Related Santa Clara Project - Scheme C

Retail Sales Tax			
	Parcel 5	Parcel 4	Total
Retail /F&B Sq.Ft.	51,000	749,000	800,000
Percent Leasable	100%	90%	
Occupancy	90%	90%	
Sales Per Square Foot (1)	\$900	\$800	
Percent Taxable Sales (2)	90%	90%	90%
Taxable Sales	\$37,000,000	\$437,000,000	\$474,000,000
City share of sales tax rate	1%	1%	1%
City Sales Tax Estimate	\$370,000	\$4,370,000	\$4,740,000

<sup>(1)</sup> Sales per square foot will vary depending on the retail type and sales performance of the store. Sales performance based on information provided by Related, rounded.

<sup>(2)</sup> Assumes some grocery / non-taxable food sales as a component of overall retail mix. Actual will vary depending on type of retail/entertainment.

Table 10
Projected Electricity Use and SVP Transfers to City General Fund
Related Santa Clara Project - Scheme C

Projected Electricity Use										
		Dev	elopment		Electric Use Per	Electricity Use (Gigawatt-Hours)				
	Parcel 1/2	Parcel 5	Parcel 4	Total	Unit or SF (2)	Parcel 1/2	Parcel 5	Parcel 4	Total	
Residential	-	200	1,480	1,680 Units	5,088 kWh/Unit	0.0	1.0	7.5	8.5	
Office	-	415,219	4,102,181	4,517,400 Sq.Ft.	12.70 kWh/SF	0.0	5.3	52.1	57.4	
Light Industrial (2)	1,600,000	-	-	1,600,000 Sq.Ft.	25.40 kWh/SF	40.6	0.0	0.0	40.6	
Retail / F&B / Ent.	-	51,000	749,000	800,000 Sq.Ft.	23.85 kWh/SF	0.0	1.2	17.9	19.1	
Hotel	-	386,311	180,689	567,000 Sq.Ft.	13.10 kWh/SF	0.0	<u>5.1</u>	<u>2.4</u>	<u>7.4</u>	
Total						40.6	12.6	79.9	133.1	

<sup>(1)</sup> U.S. Department of Energy, 2018 Commercial Buildings Energy Consumption Survey (CBECS), Pacific Region and 2020 and Residential Energy Consumption Survey (RECS) data for apartments with five or more units.

<sup>(2)</sup> Energy use may vary widely by type of activity. Data on industrial uses not provided by square foot in USDOE survey. Assumption is 2x office energy use per sq.ft..

<b>Projected Silicon Valley Power Transfers</b>	to General Fund				
		Parcel 1/2	Parcel 5	Parcel 4	Total
Electricity Use (Gigawatt-Hours)		40.6	12.6	79.9	133.1
Percent of SVP Systemwide Use (1)	4,479.6 GW Hr/Yr	0.91%	0.28%	1.78%	2.97%
Estimated SVP Transfer Revenue (2)	\$34,000,000 24-25 Budgeted SVP Transfers x % systemwide use =	\$308,000	\$95,000	\$606,000	\$1,009,000

<sup>(1)</sup> Silicon Valley Power 2023 Fact Sheet

<sup>(2) 5%</sup> of Silicon Valley Power gross revenue is transferred to the City General Fund in accordance with the City Charter. Does not assume on-site power generation.

Table 11 Other Revenues Estimated on Per Capita Basis Related Santa Clara Project - Scheme C

			Basis	S		Revenue Factor <sup>(1)</sup>		Revenue Estimate				
	Parcel 1/2	Parcel 5	Parcel 4	Total			Parcel 1/2	Parcel 5	Parcel 4	Total		
Franchise Fees	2,417	1,539	12,110	16,065	resident equiv.	\$27.71 per resident equiv.	\$67,000	\$43,000	\$336,000	\$446,000		
Fines and Penalties	2,417	1,539	12,110	16,065	resident equiv.	\$6.43 per resident equiv.	\$16,000	\$10,000	\$78,000	\$104,000		
Permits and Licenses	2,417	1,539	12,110	16,065	resident equiv.	\$14.67 per resident equiv.	\$35,000	\$23,000	\$178,000	\$236,000		
Business License Tax	4,834	2,117	17,119	24,070	employees	\$45.00 per employee	\$218,000	\$95,000	\$770,000	\$1,083,000		
	0	200	1,480	1,680	res units	\$15.00 per Unit	<u>\$0</u>	\$3,000	\$22,000	\$25,000		
							\$218,000	\$98,000	\$792,000	\$1,108,000		
Total Revenues							\$336,000	\$174,000	\$1,384,000	\$1,894,000		

<sup>(1)</sup> See Table 5

Table 12 City of Santa Clara FY 2024-25 General Fund Service Costs Related Santa Clara Project - Scheme C

City of Santa Clara FY 2024-25 Gene	eral Fund Service Cos	ts
Expense Item	FY 24-25 Budget	Basis for Estimating Service Cost of Project (2)
General Government		
City Council	\$1,176,723	
City Attorney	\$3,205,702	
City Clerk	\$493,346	
Assistant City Clerk	\$1,573,722	
Auditor	\$985,489	
Finance	\$19,012,771	
Human Resources	\$4,439,328	
City Manager	\$5,175,582	
Subtotal General Government	\$36,062,663	\$43.82 per resident equivalent added by Project
Police	\$90,185,180	based on 8 FTEs consistent with DDA
Fire	\$63,324,867	based on estimated number of calls for service to the Project
Parks and Recreation	\$22,809,299	\$55.56 per resident plus estimated maint. cost for City park.
Community Development	\$5,392,464	\$14.1 per resident equivalent added by Project
Public Works	\$26,728,107	\$93.01 per resident equivalent added by Project
Library	\$11,317,625	\$42.83 per resident
Non-Departmental	\$31,638,763	no cost impact from Project
Total Revenues/Transfers	\$287,458,968	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

<sup>(1)</sup> See Table 17 for calculation of per capita variable cost factors.

Table 13
Estimated Police Service Call Generation Rates and Estimated Cost at Buildout Related Santa Clara Project - Scheme C

Estimated Police Service Cost At Buildout	
	24-25 Budget
Administrative Services	\$21,108,931
Field Operations	\$47,981,178
Investigations	\$16,934,752
Special Operations	\$4,160,319
Total	\$90,185,180
Number of FTEs FY 24-25	231
Cost Per FTE	\$390,412
Number of FTEs funded by City (1)	8
Police Service Cost Estimate at Buildout	\$3,123,000

<sup>(1)</sup> Per the DDA, developer to fund costs in excess of 8 FTEs, if additional staffing is required.

Police Calls for Service Generation Rat	e Estimate			
	Annual Police Calls for Service (1)	No. of Units, Rooms or Square Feet	Adjustment Factor <sup>(2)</sup>	Service Call Generation Rate Per Unit/Room or 1,000 Square Feet
Element Hotel Santa Clara	11	175	1	0.06
Existing Industrial Area (3)	57	641,235	1	0.0889
Santa Clara Square: Office	36	1,700,000	2	0.0424
Santa Clara Gateway: Office	27	900,000	2	0.0600
Santa Clara Square: Retail	248	166,313	n/a	1.4912
Santa Clara Square: Multifamily	209	1,482	n/a	0.1410

Sources: KMA analysis of data provided by City of Santa Clara Police Department, CoStar.

<sup>(1)</sup> Represents calls for service with Police Beat and location, excluding traffic-related.

<sup>(2)</sup> A comparison to pre-pandemic call generation rates indicates call volume to office uses dropped by approximately half. Estimate based on double the 2023 call generation rate for Santa Clara Gateway.

<sup>(3)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

Table 14
Police Service Cost Estimate
Related Santa Clara Project - Scheme C

Police Service Cost Estimat	te											
		Development						Estimated Police Calls for Service				
								Existing				
Estimated Calls for Service	Parcel 1 & 2	Parcel 5	Parcel 4	Total		Call Ge	eneration Rate <sup>(1)</sup>	Approvals	Parcel 1 & 2	Parcel 5	Parcel 4	Total
Residential	0	200	1,480	1,680 ur	nits	0.1410	Per Unit	237	0	28	209	237
Office	0	415,219	4,102,181	4,517,400 sq	q.ft.	0.0600	Per 1,000 SF <sup>(2)</sup>	324	0	25	246	271
Light Industrial	1,600,000	0	0	1,600,000 sq	q.ft.	0.0889	Per 1,000 SF	0	142	0	0	142
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq	q.ft.	1.4912	Per 1,000 SF	1,193	0	76	1,117	1,193
Hotel	0	480	220	700 ro	ooms	0.0600	Per Room	<u>42</u>	<u>0</u>	<u>29</u>	<u>13</u>	<u>42</u>
Estimated Total Calls for Se	ervice							1,796	142	158	1,585	1,885
Percent of Estimated Calls for	r Service							100%	7.5%	8.4%	84.1%	100.0%
Allocaton of Total Police Se	Allocaton of Total Police Service Cost (Table 13) by Parcel, Based on Estimated Calls for Service								\$236,000	\$262,000	\$2,625,000	\$3,123,000

<sup>(1)</sup> See Table 13

<sup>(2)</sup> Uses Santa Clara Gateway call generation rate.

Table 15
Estimated Fire/EMS Service Call Generation Rates and Cost Per Call
Related Santa Clara Project - Scheme C

Fire/EMS Calls for Service Gener	ation Rate Estimate			
				Service Call
			No. of Units,	Generation Rate Per
	Annual Fire/EMS		Rooms or Square	Unit/Room or 1,000
	Calls for Service	Data Year <sup>(1)</sup>	Feet	Square Feet
Element Hotel Santa Clara	6	2023	175	0.0343
Existing Industrial Area (2)	8	2023	641,235	0.0125
Santa Clara Square: Office	18	2019	1,700,000	0.0106
Santa Clara Gateway: Office	46	2019	900,000	0.0511
Santa Clara Square: Retail	26	2023	166,313	0.1563
Santa Clara Square: Multifamily	51	2023	1,482	0.0344

Sources: City of Santa Clara Fire Department, CoStar, Realquest.

<sup>(2)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

	24-25 General	<u>Departmental</u>	Not Employe	Danie ak Vadable	Madalah Osak
	Fund Budget <sup>(1)</sup>	Revenue (1)	Net Expense	Percent Variable	Variable Cost
Administrative	\$5,124,943	\$0	\$5,124,943	25%	\$1,281,000
Field Operations	\$54,076,635	(\$5,000)	\$54,071,635	100%	\$54,072,000
Community Risk Reduction	\$3,912,419	(\$3,246,000)	\$666,419	50%	\$333,000
Training	\$1,520,632	\$0	\$1,520,632	50%	\$760,000
Office of Emergency Services	\$284,485	\$0	\$284,485	0%	\$0
Emergency Medical Services	\$1,373,117	(\$425,000)	<u>\$948,117</u>	<u>100%</u>	\$948,000
Total	\$66,292,231	(\$3,676,000)	\$62,616,231		\$57,394,000
Fire/EMS Calls For Service, 2023					10,586
Variable Cost Per Fire/EMS Serv	rice Call				\$5,400

<sup>(1)</sup> Based on Santa Clara Open Budget data

<sup>(1)</sup> Calls for service to office uses dropped during the pandemic and are currently affected by high vacancies. For office, 2019 data is used to establish call rates.

Table 16
Fire/EMS Service Cost Estimate
Related Santa Clara Project - Scheme C

Fire/EMS Service Cost Estima	ate											
		D	evelopment					Estimated Fire/EMS Calls for Service				
	Parcel 1 &					Ī		Parcel 1 &				
Estimated Calls for Service	2	Parcel 5	Parcel 4	Tota	l	Call (	Generation Rate <sup>(2)</sup>	2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680	units	0.0344	Per Unit	0	7	51	58	
Office	0	415,219	4,102,181	4,517,400	sq.ft.	0.0511	Per 1,000 SF (1)	0	21	210	231	
Light Industrial	1,600,000	0	0	1,600,000	sq.ft.	0.0125	Per 1,000 SF	20	0	0	20	
Retail / F&B / Ent.	0	51,000	749,000	800,000	sq.ft.	0.1563	Per 1,000 SF	0	8	117	125	
Hotel	0	480	220	700	rooms	0.0343	Per Room	<u>0</u>	<u>16</u>	<u>8</u>	<u>24</u>	
Estimated Total Calls for Serv	vice							20	53	385	458	
Estimated Fire/EMS Service Expense = no. of calls x \$5,400						0 average	e cost per call (2)	\$108,000	\$284,000	\$2,080,000	\$2,472,000	

<sup>(1)</sup> Uses Santa Clara Gateway call generation rate.

<sup>(2)</sup> See Table 15

<sup>(3)</sup> Per the DDA, Related to fund extraordinary expenses associated with location on a landfill/hazardous materials, up to 4.5 FTEs, thus these extraordinary costs are not included as an expense of the City.

Table 17
Calculation of Per Capita Variable Cost Factors
Related Santa Clara Project - Scheme C

Calculation of Per Capita Variable	Cost Factors							
Item	General Fund Expense	Offsetting Revenue	Net Expense	Percent Variable Cost	Existing Service Population		Variable Cost Factor	
Public Works	\$26,728,107	\$3,010,698	\$23,717,409	75%	191,240	resident equiv.	\$93.01	per resident equiv.
Park and Rec, excl. park maint. (1)	\$14,024,678	\$4,242,557	\$9,782,121	75%	132,048	residents	\$55.56	per resident
General Government	\$36,062,663	\$2,540,435	\$33,522,228	25%	191,240	resident equiv.	\$43.82	per resident equiv.
Library	\$11,317,625	\$7,000	\$11,310,625	50%	132,048	residents	\$42.83	per resident
Community Development	\$5,392,464	\$0	\$5,392,464	50%	191,240	resident equiv.	\$14.10	per resident equiv.

<sup>(1)</sup> Excludes Parks budget unit (Fund 1132) expenses because Related is required to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism and maintenance of the City Park is not included in the analysis.

Table 18 Other Expenses Estimated on Per Capita Basis Related Santa Clara Project - Scheme C

Other Expenses Estimated on F	Other Expenses Estimated on Per Capita Basis											
	New Service Population					Variable Cost Factor (1)		Expense Estimate				
	Parcel 1/2	Parcel 5	Parcel 4	Total				Parcel 1/2	Parcel 5	Parcel 4	Total	
Public Works	2,417	1,539	12,110	16,065	resident equiv.	\$93.01	per resident equiv	\$225,000	\$143,000	\$1,126,000	\$1,494,000	
Park & Rec, excl. park maint. (2)	0	480	3,550	4,030	resident equiv.	\$55.56	per resident	\$0	\$27,000	\$197,000	\$224,000	
General Government	2,417	1,539	12,110	16,065	resident equiv.	\$43.82	per resident equiv	\$106,000	\$67,000	\$531,000	\$704,000	
Library	0	480	3,550	4,030	resident equiv.	\$42.83	per resident	\$0	\$21,000	\$152,000	\$173,000	
Community Development	2,417	1,539	12,110	16,065	employees	\$14.10	per resident equiv	\$34,000	\$22,000	\$171,000	\$227,000	
Total Expense			•			•		\$365,000	\$280,000	\$2,177,000	\$2,822,000	

<sup>(1)</sup> See Table 17

<sup>(2)</sup> Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism. Maintenance of the City Park is not included in the analysis.

Appendix D
Fiscal Impact Analysis Tables
Scheme C With Data Center

# Summary Projected Annual City General Fund Revenues and Service Costs Upon Buildout Related Santa Clara Project - Scheme C with 50% Data Center

Projected Annual City General Fund Revenues and Service Costs Upon Buildout						
	Parcel 1 and 2	Parcel 5	Parcel 4	Total		
General Fund Revenues General Fund Service Costs	\$2,900,000 (\$411,000)	\$8,505,000 (\$835,000)	\$19,044,000 (\$6,979,000)	\$30,449,000 (\$8,226,000)		
Net Annual Fiscal Impact, Without Ground Rent	\$2,489,000	\$7,670,000	\$12,065,000	\$22,223,000		
Annual Ground Rent (2)	\$3,125,000	\$1,500,000	\$3,500,000	\$8,125,000		
Net Fiscal Impact With Inclusion of Ground Rent	\$5,614,000	\$9,170,000	\$15,565,000	\$30,348,000		

## Notes:

<sup>(1)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

<sup>(2)</sup> Amounts reflect initial stabilized year figures from the DDA without escalation or adjustment. Ground rent is proposed to increase by a factor of two for any land used for a data center. Estimate assumes data center use represents 50% of Parcel 1 and 2 building area and 25% of site area due to anticipated higher FAR for a data center use.

Table 1
Projected Annual City General Fund Revenues and Service Costs Upon Buildout (Excludes Ground Rent)
Related Santa Clara Project - Scheme C with 50% Data Center

·	Table Reference	Parcel 1/2	Parcel 5	Parcel 4	Total
General Fund Revenues	ŀ				
Property Tax	Table 7	\$1,930,000	\$948,000	\$5,606,000	\$8,484,000
Sales Tax	Table 9	\$0	\$370,000	\$4,370,000	\$4,740,000
Transient Occupancy Tax	Table 8	\$0	\$6,600,000	\$5,200,000	\$11,800,000
Property Tax In Lieu of VLF	Table 7	\$646,000	\$318,000	\$1,878,000	\$2,842,000
Business License Tax	Table 11	\$110,000	\$98,000	\$792,000	\$1,000,000
SVP Transfers	Table 10	\$154,000	\$95,000	\$606,000	\$855,000
Franchise Fees	Table 11	\$34,000	\$43,000	\$336,000	\$413,000
Permits and Licenses	Table 11	\$18,000	\$23,000	\$178,000	\$219,000
Fines and Forfeitures	Table 11	\$8,000	\$10,000	\$78,000	\$96,000
Total Revenues		\$2,900,000	\$8,505,000	\$19,044,000	\$30,449,000
General Fund Service Costs					
Police	Table 14	\$129,000	\$271,000	\$2,722,000	\$3,123,000
Fire/EMS	Table 16	\$97,000	\$284,000	\$2,080,000	\$2,461,000
Public Works	Table 18	\$114,000	\$143,000	\$1,126,000	\$1,383,000
General Government (1)	Table 18	\$54,000	\$67,000	\$531,000	\$652,000
Park & Rec, except park maint (2)	Table 18	\$0	\$27,000	\$197,000	\$224,000
Community Development	Table 18	\$17,000	\$22,000	\$171,000	\$210,000
Library	Table 18	\$0	\$21,000	\$152,000	\$173,000
Total Expenditures		\$411,000	\$835,000	\$6,979,000	\$8,226,000
Net Annual Fiscal Impact	\$2,489,000	\$7,670,000	\$12,065,000	\$22,223,000	

#### Notes

<sup>(1)</sup> Includes City Council, City Attorney, City Clerk, Assistant City Clerk, Auditor, Finance, Human Resources, and City Manager departments.

<sup>(2)</sup> The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project. Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism, thus there is no City General Fund maintenance cost for neighborhood parks.

Table 2
Development Program - Scheme C with 50% Data Center
Related Santa Clara Project - Scheme C with 50% Data Center

Development Program - Scheme C with 50% Data Center							
	Parcel 1 & 2	Parcel 5		Parcel 4		Total	
	Building Area	Building Area	Units/Rooms	Building Area	<u>Units/Rooms</u>	Building Area	Units/Rooms
Residential	0 sq.ft.	191,601 sq.ft.	200 units	1,488,399 sq.ft.	1,480 units	1,680,000 sq.ft.	1,680 units
Office	0 sq.ft.	415,219 sq.ft.		4,102,181 sq.ft.		4,517,400 sq.ft.	
Light Industrial	800,000 sq.ft.	0 sq.ft.		0 sq.ft.		800,000 sq.ft.	
Data Center	800,000 sq.ft.	0 sq.ft.		0 sq.ft.		800,000 sq.ft.	
Retail / F&B / Ent.	0 sq.ft.	51,000 sq.ft.		749,000 sq.ft.		800,000 sq.ft.	
Hotel	0 sq.ft.	386,311 sq.ft.	480 rooms	180,689 sq.ft.	220 rooms	567,000 sq.ft.	700 rooms
Total	1,600,000 sq.ft.	1,044,131 sq.ft.		6,520,269 sq.ft.		9,164,400 sq.ft.	

Note: The proposed City Park is treated as a separate project not included in this fiscal impact analysis because the nature of park improvements and timing of completion are at the City's discretion and the City Park is not a required element of the Related Santa Clara development project.

Table 3
Existing City of Santa Clara Population and Employment
Related Santa Clara Project - Scheme C with 50% Data Center

Existing City of Santa Clara Population and Employment					
Population (1)			132,048		
Employment (2)			118,384		
Resident Equivalents (3)	0.5 per worker	1.0 per resident	191,240		

- (1) California Department of Finance. Table E-5 Population and Housing Estimates for Cities, Counties, and the State, 2020-2024.
- (2) U.S. Census Longitudinal Employer-Household Dynamics, 2022 Work Area Profile Analysis for City of Santa Clara.
- (3) Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

Table 4
Project Population and Employment Estimate
Related Santa Clara Project - Scheme C with 50% Data Center

Project Population and Employm	ent Estimat	:e					
			Populat	ion / Employment			Resident
	Proposed	Uses		Factor (1)	Population	Employees	Equivalents <sup>(2)</sup>
Existing Approvals (Scheme A)							
Residential	1,680	units	2.40	population per unit	4,030	53	4,056
			32	units/employee			
Office	5,404,400	sq.ft.	270	sq.ft./employee	-	20,016	10,008
Light Industrial	0	sq.ft.		sq.ft./employee	-	-	-
Data Center	0	sq.ft.		sq.ft./employee	-	-	-
Retail / F&B / Ent.	800,000	sq.ft.		sq.ft./employee	-	1,780	890
Hotel	578,000	sq.ft.	840	sq.ft./employee	-	688	344
Total: Existing Approvals					4,030	22,537	15,298
Proposed (Scheme C)							
Parcel 1 and 2							
Residential	0	units		population per unit	-	-	-
				units/employee			
Office		sq.ft.		sq.ft./employee	-	-	-
Light Industrial	800,000			sq.ft./employee	-	2,417	1,208
Data Center	800,000	•		sq.ft./employee	-	32	16
Retail / F&B / Ent.		sq.ft.		sq.ft./employee	-	-	-
Hotel	0	sq.ft.	840	sq.ft./employee	-	-	-
Subtotal					0	2,449	1,224
Parcel 5							
Residential	200	units	2.40	population per unit	480	6	483
				units/employee			
Office	415,219	sq.ft.		sq.ft./employee	-	1,538	769
Light Industrial		sq.ft.		sq.ft./employee	-	-	-
Data Center		sq.ft.		sq.ft./employee	-	-	-
Retail / F&B / Ent.	51,000	•		sq.ft./employee	-	113	57
Hotel	386,311	sq.ft.	840	sq.ft./employee		460	230
Subtotal		-		• •	480	2,117	1,539
Parcel 4							
Residential	1,480	units	2.40	population per unit	3,550	46	3,573
1105145	.,			units/employee	=1==-	• •	-1
Office	4,102,181	sa.ft.		sq.ft./employee	_	15,193	7,597
Light Industrial		sq.ft.		sq.ft./employee	-	. = ,	-
Data Center		sq.ft.		sq.ft./employee	-	-	-
Retail / F&B / Ent.	749,000	-		sq.ft./employee	-	1,664	832
Hotel	180,689	•		sq.ft./employee	-	215	108
Subtotal	,	e 4		odb - 2	3,550		12,110
Total Cohomo C							
Total Scheme C  (1) Factors based on the Draft CEOA c					4,030	21,685	14,873

<sup>(1)</sup> Factors based on the Draft CEQA checklist for Scheme C.

<sup>(2)</sup> Resident equivalents is a measure that combines residents and jobs, with a weight of 1 per resident and 0.5 per job.

<sup>(3)</sup> As a conservative assumption existing (primarily off-site) employees are not deducted, as in the CEQA checklist.

Table 5
City of Santa Clara FY 2024-25 General Fund Revenues by Source
Related Santa Clara Project - Scheme C with 50% Data Center

City of Santa Clara FY 2024-25 General Fund Revenues by Source								
	FY 24-25							
Revenue Source	<u>Budget</u>	Basis for Estimating Revenue to be Generated by Project						
Revenue Categories with a Projected Increase from Project								
Property Tax	\$89,545,000	10.05% x 1% basic levy x estimated Assessed Value						
Sales Tax	\$62,352,000	1% of estimated taxable sales						
Transient Occupancy Tax	\$23,650,000	13.5% of estimated room sales						
Franchise Tax	\$5,300,000	\$27.71 per resident equivalent (=\$5,300,000 / 191,240 existing resident equivalents)						
Business Licenses	\$6,000,000	\$45 per employee and \$15 per resident						
Other Licenses and Permits	\$2,806,000	\$14.67 per resident equivalent (=\$2,806,000 / 191,240 existing resident equivalents)						
Other Services Fees	\$39,253,418	estimated as an offset to departmental expenses, where applicable						
Fines and Penalties	\$1,230,000	\$6.43 per resident equivalent (=\$1,230,000 / 191,240 existing resident equivalents)						
SVP Transfer	\$34,000,000	proportionate to increase in SVP electricity demand from Project						
Subtotal	\$264,136,418							
Revenue Categories with No	Projected Incre	ase from Project						
Documentary Transfer Tax	\$1,632,000	Not estimated due to long hold periods for commercial property						
Rents and Leases	\$15,150,269	ground rent provided as consideration for City land is not included in projection						
State/Other Agencies	\$520,000	not estimated						
Interest	\$3,708,000	not estimated						
Other Revenue	\$180,000	not estimated						
Transfers In	\$2,015,294	not estimated						
Subtotal	\$23,205,563							
Total Revenues	\$287,341,981							

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

Table 6
Assessed Value Estimate
Related Santa Clara Project - Scheme C with 50% Data Center

Assessed Value Estimate Upon Buildout										
		De	evelopment		AV Factor <sup>(1)</sup>	Estimated Assessed Value				
	Parcel 1/2	Parcel 5	Parcel 4	Total		Parcel 1/2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680 units	\$700,000 /unit	\$0	\$140,000,000	\$1,036,000,000	\$1,176,000,000	
Office	0	415,219	4,102,181	4,517,400 sq.ft.	\$900 /sq.ft.	\$0	\$373,697,100	\$3,691,962,900	\$4,065,660,000	
Light Industrial	800,000	0	0	800,000 sq.ft.	\$400 /sq.ft.	\$320,000,000	\$0	\$0	\$320,000,000	
Data Center	800,000	0	0	800,000 sq.ft.	\$2,000 /sq.ft.	\$1,600,000,000	\$0	\$0	\$1,600,000,000	
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq.ft.	\$900 /sq.ft.	\$0	\$45,900,000	\$674,100,000	\$720,000,000	
Hotel	0	480	220	700 Rooms	\$800,000 /room	\$0	\$384,000,000	\$176,000,000	\$560,000,000	
Total						\$1,920,000,000	\$943,597,100	\$5,578,062,900	\$8,441,660,000	

<sup>(1)</sup> Assessed value estimates are based upon review of assessed values for other recently built projects, estimates provided by the developer, and recent industrial building sales data.

Table 7
Property Tax and Property Tax In-Lieu of VLF Estimate
Related Santa Clara Project - Scheme C with 50% Data Center

Property Tax and Property Tax In-L	ieu of VLF Estimate				
		Parcel 1 & 2	Parcel 5	Parcel 4	Total
Assessed Value		\$1,920,000,000	\$943,597,100	\$5,578,062,900	\$8,441,660,000
Property Taxes					
1% Property Tax		\$19,200,000	\$9,435,971	\$55,780,629	\$84,416,600
City Share of Property Taxes	10.1% of 1% tax <sup>(2)</sup>	\$1,930,000	\$948,000	\$5,606,000	\$8,484,000
Property Tax In Lieu of VLF	\$0.337 per \$1,000 AV <sup>(1)</sup>	\$646,000	\$318,000	\$1,878,000	\$2,842,000

<sup>(1)</sup> Property tax in-lieu of VLF is proportionate to increases in citywide assessed value. Based on the VLF revenue and assessed values for the City of Santa Clara, this results in a ratio of approximately \$0.337 in revenue for each \$1,000 in AV added.

<sup>(2)</sup> City General Fund share of property for applicable TRA per the Santa Clara County Controller.

Table 8
Hotel Transient Occupancy Taxes, (Existing Approvals and Proposed Scheme C)
Related Santa Clara Project - Scheme C with 50% Data Center

Hotel Transient C	Hotel Transient Occupancy Taxes, (Existing Approvals and Proposed Scheme C)									
	Rooms		Occupancy <sup>(1)</sup>		Average Da	aily Rate	(1)		Room Rev	General Fund Transient Occupancy Tax
								_		13.50%
Parcel 5 Hotel	480	Х	80%	Х	\$350	X	365	days/yr =	\$49,060,000	\$6,600,000
Parcel 4 Hotel	220	Χ	80%	Χ	\$600	Х	365	days/yr =	\$38,540,000	\$5,200,000
Hotel Tax Total										\$11,800,000

<sup>(1)</sup> Reflects Related expectations regarding average room rate and occupancy assuming luxury class hotels. Actual performance will vary substantially depending on hotel scale and future market conditions.

Table 9
Retail Sales Tax
Related Santa Clara Project - Scheme C with 50% Data Center

Retail Sales Tax			
	Parcel 5	Parcel 4	Total
Retail /F&B Sq.Ft.	51,000	749,000	800,000
Percent Leasable	100%	90%	
Occupancy	90%	90%	
Sales Per Square Foot (1)	\$900	\$800	
Percent Taxable Sales (2)	90%	90%	90%
Taxable Sales	\$37,000,000	\$437,000,000	\$474,000,000
City share of sales tax rate	1%	1%	1%
City Sales Tax Estimate	\$370,000	\$4,370,000	\$4,740,000

<sup>(1)</sup> Sales per square foot will vary depending on the retail type and sales performance of the store. Sales performance based on information provided by Related, rounded.

<sup>(2)</sup> Assumes some grocery / non-taxable food sales as a component of overall retail mix. Actual will vary depending on type of retail/entertainment.

Table 10
Projected Electricity Use and SVP Transfers to City General Fund
Related Santa Clara Project - Scheme C with 50% Data Center

Projected Electricity Use										
		Dev	/elopment			Elec	tricity Use	(Gigawatt-H	lours)	
	Parcel 1/2	Parcel 5	Parcel 4	Total	Electric Use Per	Parcel 1/2	Parcel 5	Parcel 4	Total	
Residential	-	200	1,480	1,680 Units	5,088 kWh/Unit	0.0	1.0	7.5	8.5	
Office	-	415,219	4,102,181	4,517,400 Sq.Ft.	12.70 kWh/SF	0.0	5.3	52.1	57.4	
Light Industrial (2)	800,000	-	-	800,000 Sq.Ft.	25.40 kWh/SF	20.3	0.0	0.0	20.3	
Data center	800,000	-	-	800,000 Sq.Ft.	no SVP Pwr	0.0	0.0	0.0	0.0	
Retail / F&B / Ent.	-	51,000	749,000	800,000 Sq.Ft.	23.85 kWh/SF	0.0	1.2	17.9	19.1	
Hotel	-	386,311	180,689	567,000 Sq.Ft.	13.10 kWh/SF	<u>0.0</u>	<u>5.1</u>	<u>2.4</u>	<u>7.4</u>	
Total						20.3	12.6	79.9	112.7	

<sup>(1)</sup> U.S. Department of Energy, 2018 Commercial Buildings Energy Consumption Survey (CBECS), Pacific Region and 2020 and Residential Energy Consumption Survey (RECS) data for apartments with five or more units.

<sup>(2)</sup> Energy use may vary widely by type of activity. Data on industrial uses not provided by square foot in USDOE survey. Assumption is 2x office energy use per sq.ft..

Projected Silicon Valley Power Transfers to General Fund								
		Parcel 1/2	Parcel 5	Parcel 4	Total			
Electricity Use (Gigawatt-Hours)		20.3	12.6	79.9	112.7			
Percent of SVP Systemwide Use (1)	4,479.6 GW Hr/Yr	0.45%	0.28%	1.78%	2.52%			
Estimated SVP Transfer Revenue (2)	\$34,000,000 24-25 Budgeted SVP Transfers x % systemwide use =	\$154,000	\$95,000	\$606,000	\$855,000			

<sup>(1)</sup> Silicon Valley Power 2023 Fact Sheet

<sup>(2) 5%</sup> of Silicon Valley Power gross revenue is transferred to the City General Fund in accordance with the City Charter. Does not assume on-site power generation.

Table 11 Other Revenues Estimated on Per Capita Basis Related Santa Clara Project - Scheme C with 50% Data Center

	Basis					Re	venue Factor <sup>(1)</sup>		Revenue Estimate			
	Parcel 1/2	Parcel 5	Parcel 4	Total				Parcel 1/2	Parcel 5	Parcel 4	Total	
Franchise Fees	1,224	1,539	12,110	14,873	resident equiv.	\$27.71	per resident equiv.	\$34,000	\$43,000	\$336,000	\$413,000	
Fines and Penalties	1,224	1,539	12,110	14,873	resident equiv.	\$6.43	per resident equiv.	\$8,000	\$10,000	\$78,000	\$96,000	
Permits and Licenses	1,224	1,539	12,110	14,873	resident equiv.	\$14.67	per resident equiv.	\$18,000	\$23,000	\$178,000	\$219,000	
Business License Tax	2,449	2,117	17,119	21,685	employees	\$45.00	per employee	\$110,000	\$95,000	\$770,000	\$975,000	
	0	200	1,480	1,680	res units	\$15.00	per Unit	<u>\$0</u>	\$3,000	\$22,000	\$25,000	
								\$110,000	\$98,000	\$792,000	\$1,000,000	
Total Revenues								\$170,000	\$174,000	\$1,384,000	\$1,728,000	

<sup>(1)</sup> See Table 5

Table 12 City of Santa Clara FY 2024-25 General Fund Service Costs Related Santa Clara Project - Scheme C with 50% Data Center

City of Santa Clara FY 2024-25 Gen	eral Fund Service Cos	ts
Expense Item	FY 24-25 Budget	Basis for Estimating Service Cost of Project (2)
General Government		
City Council	\$1,176,723	
City Attorney	\$3,205,702	
City Clerk	\$493,346	
Assistant City Clerk	\$1,573,722	
Auditor	\$985,489	
Finance	\$19,012,771	
Human Resources	\$4,439,328	
City Manager	<u>\$5,175,582</u>	
Subtotal General Government	\$36,062,663	\$43.82 per resident equivalent added by Project
Police	\$90,185,180	based on 8 FTEs consistent with DDA
Fire	\$63,324,867	based on estimated number of calls for service to the Project
Parks and Recreation	\$22,809,299	\$55.56 per resident plus estimated maint. cost for City park.
Community Development	\$5,392,464	\$14.1 per resident equivalent added by Project
Public Works	\$26,728,107	\$93.01 per resident equivalent added by Project
Library	\$11,317,625	\$42.83 per resident
Non-Departmental	\$31,638,763	no cost impact from Project
Total Revenues/Transfers	\$287,458,968	

Source: City of Santa Clara; FY 2023-24 and FY 2024-25 Adopted Operating Budget.

<sup>(1)</sup> See Table 17 for calculation of per capita variable cost factors.

Table 13
Estimated Police Service Call Generation Rates and Estimated Cost at Buildout Related Santa Clara Project - Scheme C with 50% Data Center

Estimated Police Service Cost At Buildout	
	24-25 Budget
Administrative Services	\$21,108,931
Field Operations	\$47,981,178
Investigations	\$16,934,752
Special Operations	\$4,160,319
Total	\$90,185,180
Number of FTEs FY 24-25	231
Cost Per FTE	\$390,412
Number of FTEs funded by City (1)	8
Police Service Cost Estimate at Buildout	\$3,123,000

<sup>(1)</sup> Per the DDA, developer to fund costs in excess of 8 FTEs, if additional staffing is required.

Police Calls for Service Generation Ra	te Estimate			
	Annual Police Calls for Service (1)	No. of Units, Rooms or Square Feet	Adjustment Factor <sup>(2)</sup>	Service Call Generation Rate Per Unit/Room or 1,000 Square Feet
Element Hotel Santa Clara	11	175	1	0.06
Existing Industrial Area (3)	57	641,235	1	0.0889
Existing Data Centers (4)	3	600,000	1	0.0050
Santa Clara Square: Office	36	1,700,000	2	0.0424
Santa Clara Gateway: Office	27	900,000	2	0.0600
Santa Clara Square: Retail	248	166,313	n/a	1.4912
Santa Clara Square: Multifamily	209	1,482	n/a	0.1410

Sources: KMA analysis of data provided by City of Santa Clara Police Department, CoStar.

<sup>(1)</sup> Represents calls for service with Police Beat and location, excluding traffic-related.

<sup>(2)</sup> A comparison to pre-pandemic call generation rates indicates call volume to office uses dropped by approximately half. Estimate based on double the 2023 call generation rate for Santa Clara Gateway.

<sup>(3)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

<sup>(4)</sup> Based on two existing data centers at 2820 and 2880 Northwestern Parkway and 2220 De La Cruz Blvd.

Table 14
Police Service Cost Estimate
Related Santa Clara Project - Scheme C with 50% Data Center

Police Service Cost Estimate	l		Ecti	mated Delic	e Calls for S	orvico				
		Development							e Calls IOI 3	el vice
							Parcel 1 &			
Estimated Calls for Service	Parcel 1 & 2	Parcel 5	Parcel 4	Total	Call Ge	eneration Rate <sup>(1)</sup>	2	Parcel 5	Parcel 4	Total
Residential	0	200	1,480	1,680 units	0.1410	Per Unit	0	28	209	237
Office	0	415,219	4,102,181	4,517,400 sq.ft.	0.0600	Per 1,000 SF <sup>(2)</sup>	0	25	246	271
Light Industrial	800,000	0	0	800,000 sq.ft.	0.0889	Per 1,000 SF	71	0	0	71
Data Center	800,000	0	0	800,000 sq.ft.	0.0050	Per 1,000 SF	4	0	0	4
Retail / F&B / Ent.	0	51,000	749,000	800,000 sq.ft.	1.4912	Per 1,000 SF	0	76	1,117	1,193
Hotel	0	480	220	700 rooms	0.0600	Per Room	<u>0</u>	<u>29</u>	<u>13</u>	<u>42</u>
Estimated Total Calls for Service							75	158	1,585	1,818
Percent of Estimated Calls for Servi	ce						4.1%	8.7%	87.2%	100.0%
Allocaton of Total Police Service Cost (Table 13 ) by Parcel, Based on Estimated Calls for Service							\$129,000	\$271.000	\$2,722,000	\$3.123.000

<sup>(1)</sup> See Table 13

<sup>(2)</sup> Uses Santa Clara Gateway call generation rate.

Table 15
Estimated Fire/EMS Service Call Generation Rates and Cost Per Call
Related Santa Clara Project - Scheme C with 50% Data Center

Fire/EMS Calls for Service Gener	ation Rate Estimate			
				Service Call
			No. of Units,	Generation Rate Per
	Annual Fire/EMS		Rooms or Square	Unit/Room or 1,000
	Calls for Service	Data Year <sup>(1)</sup>	Feet	Square Feet
Element Hotel Santa Clara	6	2023	175	0.0343
Existing Industrial Area (2)	8	2023	641,235	0.0125
Existing Data Centers (3)	6	2023	600,000	0.0100
Santa Clara Square: Office	18	2019	1,700,000	0.0106
Santa Clara Gateway: Office	46	2019	900,000	0.0511
Santa Clara Square: Retail	26	2023	166,313	0.1563
Santa Clara Square: Multifamily	51	2023	1,482	0.0344

Sources: City of Santa Clara Fire Department, CoStar, Realquest.

<sup>(3)</sup> Based on two existing data centers at 2820 and 2880 Northwestern Parkway and 2220 De La Cruz Blvd.

Estimated Average Fire/EMS Sei	vice Cost Per Servic	e Call			
	24-25 General	<u>Departmental</u>			
	Fund Budget <sup>(1)</sup>	Revenue (1)	Net Expense	Percent Variable	Variable Cost
Administrative	\$5,124,943	\$0	\$5,124,943	25%	\$1,281,000
Field Operations	\$54,076,635	(\$5,000)	\$54,071,635	100%	\$54,072,000
Community Risk Reduction	\$3,912,419	(\$3,246,000)	\$666,419	50%	\$333,000
Training	\$1,520,632	\$0	\$1,520,632	50%	\$760,000
Office of Emergency Services	\$284,485	\$0	\$284,485	0%	\$0
Emergency Medical Services	\$1,373,117	(\$425,000)	<u>\$948,117</u>	<u>100%</u>	\$948,000
Total	\$66,292,231	(\$3,676,000)	\$62,616,231		\$57,394,000
Fire/EMS Calls For Service, 2023					10,586
Variable Cost Per Fire/EMS Serv	ice Call				\$5,400

<sup>(1)</sup> Based on Santa Clara Open Budget data

<sup>(1)</sup> Calls for service to office uses dropped during the pandemic and are currently affected by high vacancies. For office, 2019 data is used to establish call rates.

<sup>(2)</sup> Areas is bounded by Leonard Ct, Bassett Street and adjacent properties and encompasses the following addresses: 3301, 3311, 3401, 3501 Leonard Ct; and 3500, 3508, 3510, 3526, 3530, 3540, 3542, 3580 Bassett.

Table 16
Fire/EMS Service Cost Estimate
Related Santa Clara Project - Scheme C with 50% Data Center

Fire/EMS Service Cost Estima	ite											
			evelopment)					Estin	Estimated Fire/EMS Calls for Service			
	Parcel 1 &					Ī		Parcel 1 &				
Estimated Calls for Service	2	Parcel 5	Parcel 4	Tota	l	Call (	Generation Rate <sup>(2)</sup>	2	Parcel 5	Parcel 4	Total	
Residential	0	200	1,480	1,680	units	0.0344	Per Unit	0	7	51	58	
Office	0	415,219	4,102,181	4,517,400	sq.ft.	0.0511	Per 1,000 SF (1)	0	21	210	231	
Light Industrial	800,000	0	0	800,000	sq.ft.	0.0125	Per 1,000 SF	10	0	0	10	
Data Center	800,000	0	0	800,000	sq.ft.	0.0100	Per 1,000 SF	8	0	0	8	
Retail / F&B / Ent.	0	51,000	749,000	800,000	sq.ft.	0.1563	Per 1,000 SF	0	8	117	125	
Hotel	0	480	220	700	rooms	0.0343	Per Room	<u>0</u>	<u>16</u>	<u>8</u>	<u>24</u>	
Estimated Total Calls for Serv	/ice							18	53	385	456	
Estimated Fire/EMS Service E	xpense			= no. of calls	x \$5,40	0 average	e cost per call (2)	\$97,000	\$284,000	\$2,080,000	\$2,461,000	

<sup>(1)</sup> Uses Santa Clara Gateway call generation rate.

<sup>(2)</sup> See Table 15

<sup>(3)</sup> Per the DDA, Related to fund extraordinary expenses associated with location on a landfill/hazardous materials, up to 4.5 FTEs, thus these extraordinary costs are not included as an expense of the City.

Table 17
Calculation of Per Capita Variable Cost Factors
Related Santa Clara Project - Scheme C with 50% Data Center

Calculation of Per Capita Variable Cost Factors									
	General Fund	Offsetting		Percent	Existing Service		Variable		
Item	Expense	Revenue	Net Expense	Variable Cost	Population		Cost Factor		
Public Works	\$26,728,107	\$3,010,698	\$23,717,409	75%	191,240	resident equiv.	\$93.01	per resident equiv.	
Park and Rec, excl. park maint. (1)	\$14,024,678	\$4,242,557	\$9,782,121	75%	132,048	residents	\$55.56	per resident	
General Government	\$36,062,663	\$2,540,435	\$33,522,228	25%	191,240	resident equiv.	\$43.82	per resident equiv.	
Library	\$11,317,625	\$7,000	\$11,310,625	50%	132,048	residents	\$42.83	per resident	
Community Development	\$5,392,464	\$0	\$5,392,464	50%	191,240	resident equiv.	\$14.10	per resident equiv.	

<sup>(1)</sup> Excludes Parks budget unit (Fund 1132) expenses because Related is required to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism and maintenance of the City Park is not included in the analysis.

Table 18
Other Expenses Estimated on Per Capita Basis
Related Santa Clara Project - Scheme C with 50% Data Center

Other Expenses Estimated on Per Capita Basis											
	New Service Population					Variable Cost Factor (1)		Expense Estimate			
	Parcel 1/2	Parcel 5	Parcel 4	Total				Parcel 1/2	Parcel 5	Parcel 4	Total
Public Works	1,224	1,539	12,110	14,873	resident equiv.	\$93.01	per resident equiv	\$114,000	\$143,000	\$1,126,000	\$1,383,000
Park & Rec, excl. park maint. (2)	0	480	3,550	4,030	resident equiv.	\$55.56	per resident	\$0	\$27,000	\$197,000	\$224,000
General Government	1,224	1,539	12,110	14,873	resident equiv.	\$43.82	per resident equiv	\$54,000	\$67,000	\$531,000	\$652,000
Library	0	480	3,550	4,030	resident equiv.	\$42.83	per resident	\$0	\$21,000	\$152,000	\$173,000
Community Development	1,224	1,539	12,110	14,873	employees	\$14.10	per resident equiv	\$17,000	\$22,000	\$171,000	\$210,000
Total Expense	•							\$185,000	\$280,000	\$2,177,000	\$2,642,000

<sup>(1)</sup> See Table 17

<sup>(2)</sup> Related to provide for maintenance of the neighborhood parks, or reimburse the City for maintenance costs, through a Master Owner's Association or similar mechanism. Maintenance of the City Park is not included in the analysis.



# City of Santa Clara

1500 Warburton Avenue Santa Clara, CA 95050 santaclaraca.gov @SantaClaraCity

## Agenda Report

25-755 Agenda Date: 7/8/2025

## REPORT TO COUNCIL

## SUBJECT

Action on Proposed Formation of a Charter Review Committee to Conduct Comprehensive Review of the City Charter to Update, Make Corrections and Better Align the Charter with State Law and Current Best Practices and to Draft a Comprehensive Charter Amendment for Presentation to the City Council and Possibly the Voters at the November 2026 Election

## **BACKGROUND**

At the Governance and Ethics Committee special meeting on May 1, 2025, as part of the Committee's work plan, City Attorney Googins presented a report on a proposed comprehensive City Charter update process for discussion and direction. For context, the presentation included information regarding how a city charter functions as a city's constitution, how charter's provide cities with authority with respect to "municipal affairs," and Santa Clara's history with adopting and amending its own Charter over the years. Reasons for why a comprehensive Charter update process should be considered included: although it had been amended from time to time over the years, the Charter had not kept up with changing "best practices" for City operations and State legal requirements, the City itself had grown in population and complexity, and the Charter contained ambiguities, and internal inconsistencies. The presentation included a number of examples of possible Charter modifications that would address some of these issues.

The Committee discussed the proposal and agreed that a Charter update process was warranted. The importance of keeping the process "professional" and not "political" was emphasized, along with how it would be important to decide what types of changes would be included in any "comprehensive" amendment, and what types of proposals would best be kept separate. The process for how the Charter Review Committee would be selected was also debated. The Committee wanted to be clear that any November 2026 Charter amendment should be limited to modernization, clarification and clean-up items, not major or controversial changes to the Charter. The Committee was mindful that the remainder of 2025 and 2026 will be a busy time in Santa Clara and they did not want to add additional complexities to the City's existing work program.

Input from elected City Clerk O'Keefe was also solicited and provided. Mr. O'Keefe provided additional information regarding the Charter's history, and the provisions regarding the elected City Clerk. He was supportive of staff's recommendation to engage in this process. A motion was made by Committee Member Park and seconded by Committee Chair Jain to recommend to the City Council to initiate a Charter review process, including potentially having a workshop as part of the recruitment process for the Charter Review Committee, and options for selection of the Committee from the various Council districts (either by Council appointment or lottery).

This item is now presented the full City Council for input and direction.

25-755 Agenda Date: 7/8/2025

### DISCUSSION

The City Charter in General

The City Charter acts like the "constitution" for the City of Santa Clara. In general, the City Charter establishes the City's authority over "municipal affairs," provides for a Council/Manager form of government, provides the qualifications and process for electing and appointing certain City officials, assigns duties among those officials, sets up the process for City Council meetings and the process for the adoption of resolutions and ordinances, provides for the creation of certain Boards and Commissions, and provides rules for the City's fiscal management, public works and procurement practices. A copy of the current City Charter is provided (Attachment 1).

## History of Amendments to the Charter

Since its adoption in 1951, the City Charter has been amended multiple times, most recently in 2022. A list of these amendments, along with proposed amendments that were rejected by the voters, has been complied by the City Clerk's office and attached to this report. (See Attachment 2). There was a one comprehensive Charter update that was proposed and passed back in 2000, but the changes were relatively minor, and there has been no comprehensive update since that date.

## Reasons to Support a Comprehensive Charter Update

Since 1951 (and even 2000), a lot has changed in the laws that apply to cities and in what are considered "best practices" for how city governments operate. The City itself has also grown and changed. City staff's experience with implementing the Charter over the years has also revealed inefficiencies and ambiguities in existing City Charter provisions.

In order to make the City Charter consistent with current laws and best practices, improve City efficiency and eliminate ambiguities, City staff is proposing that the City consider engaging in a comprehensive Charter review and update process for possible presentation of any proposed amendments to the City's voters at the November 2026 election.

Examples of provisions of the City Charter that could warrant modification include the following:

- 1. For elected officials, clarify the timing and application of the 30-day residency requirements. [Section 600]
- 2. Update required special notice requirements for City proposed sales of real property to increase the threshold substantially above \$500. [Section 714]
- 3. Clarification regarding what constitutes a "disposition" or "change of use" of City park property requiring a vote of the people. [Section 714.1]
- 4. Clarify roles and responsibilities of the elected City Clerk. [Section 903]
- 5. Update/clarify the roles and responsibilities of the Board of Library Trustees. [Section 1013]
- 6. Clarify what are "classified" versus "unclassified" positions within the City's employment structure, and add/clarify reference to the role and function of the Civil Service Commission [Article XI]
- 7. Update budget provisions to include express provision for a two-year budget cycle and to clarify what constitutes a "budget amendment" requiring 5 votes. [Sections 1301 and 1305]
- 8. Consider increasing threshold for public works or use of City forces requiring City Council approval from \$1,000 to a more reasonable amount. [Section 1310]
- 9. Clarify how/when State laws apply if there is no express City Charter or City Code provision
- 10. Miscellaneous changes to section headings, wording and organization throughout the City Charter to improve clarity and user friendliness.

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This is just a sampling. Many other proposed changes are likely to come out of the comprehensive top to bottom review process.

## The Primary Objective; Professional Staff Involvement

In general, the proposed "top to bottom" review process is intended to be driven by practical and legal considerations, with the prime objective being to bring the Charter up to current "best practices" for City operations. It is not intended to implement any major restructuring of City operations or to change the City's election process. To accomplish this, it is intended that City professional staff, representing the various departments charged with interpreting and implementing the full range of Charter requirements, will be heavily involved in the Charter review and update process. In the end, it will be up to the Charter Review Committee to recommend, and the Council to decide which, if any, of the proposed changes will be presented to the voters as part a comprehensive update to the City Charter. In order to meet election deadlines, this would need to occur by no later than July 2026. At that time, the Council could also consider which of any of the proposed changes would be presented as one or more separate measures, either at the November 2026 election, or at a subsequent election after further review and analysis.

## Process for Creation of a CRC and Applicable Rules

If the City Council desires to proceed, the first step would be to direct staff to take the steps necessary to form a Charter Review Committee ("CRC"). Concurrently, staff would develop a proposed CRC work plan ("Work Plan") to guide the process. The Work Plan would be brought back to the Council for input and approval prior to or concurrent with Council's appointment of CRC members.

As part of any action to proceed, the City Council will need to decide on the appointment process it wants for the CRC. In the past, such committees have included a total of seven members, with each Council member recommending a CRC member from their respective districts, and the Mayor recommending one member at large. One viable alternative to the direct appointment process would be a lottery process, similar to what was used in the selection of members to the Measure I Bond Citizen's Oversight Committee. The lottery alternative was considered (and favored) by some members of the Governance Committee as a good way to improve the likelihood that the Charter update process was driven more by policy than political considerations.

As an official advisory body created by the City Council, the CRC would be subject to the Brown Act, and therefore all CRC meetings would be noticed and open to the public.

The CRC would also be subject to the Public Records Act (PRA).

The City Manager's office and the City Attorney's office would be primary staff the CRC, but input would be solicited from all City departments that work with the various Sections of the City Charter that apply to them. Ultimately, any proposed changes to the Charter would be brought back to the Council for a decision on what, if anything, should be submitted to the voters for their consideration at the November 2026 election.

### Suggested Timing

In order to complete any proposed Charter Update process in time to meet 2026 ballot measure submittal requirements, staff recommends that any Charter Update process commence, and the related CRC be formed and activated as soon as possible, but by no later than September 2025. As

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discussed above, the full review process, and any proposed ballot measure would need to be presented to and approve by the City Council by no later than the last meeting in July of 2026.

#### Recommendation

In order to make the City Charter consistent with current laws and best practices, improve City efficiency and eliminate ambiguities, City staff and the Governance Committee is recommending that the City consider forming a Charter Review Commission to engage in a top to bottom Charter review process in order to draft a comprehensive Charter Amendment for presentation to the Council and possibly the voters at the November 2026 Election.

### **ENVIRONMENTAL REVIEW**

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

## FISCAL IMPACT

There is no fiscal impact to the City with this informational report other than staff time. The overall costs for the addition of any potential ballot measures related to amending the Charter for the November 2026 ballot would be determined at a future date.

## COORDINATION

This report was coordinated with the City Attorney's Office and the City Manager's Office.

### PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov or at the public information desk at any City of Santa Clara public library.

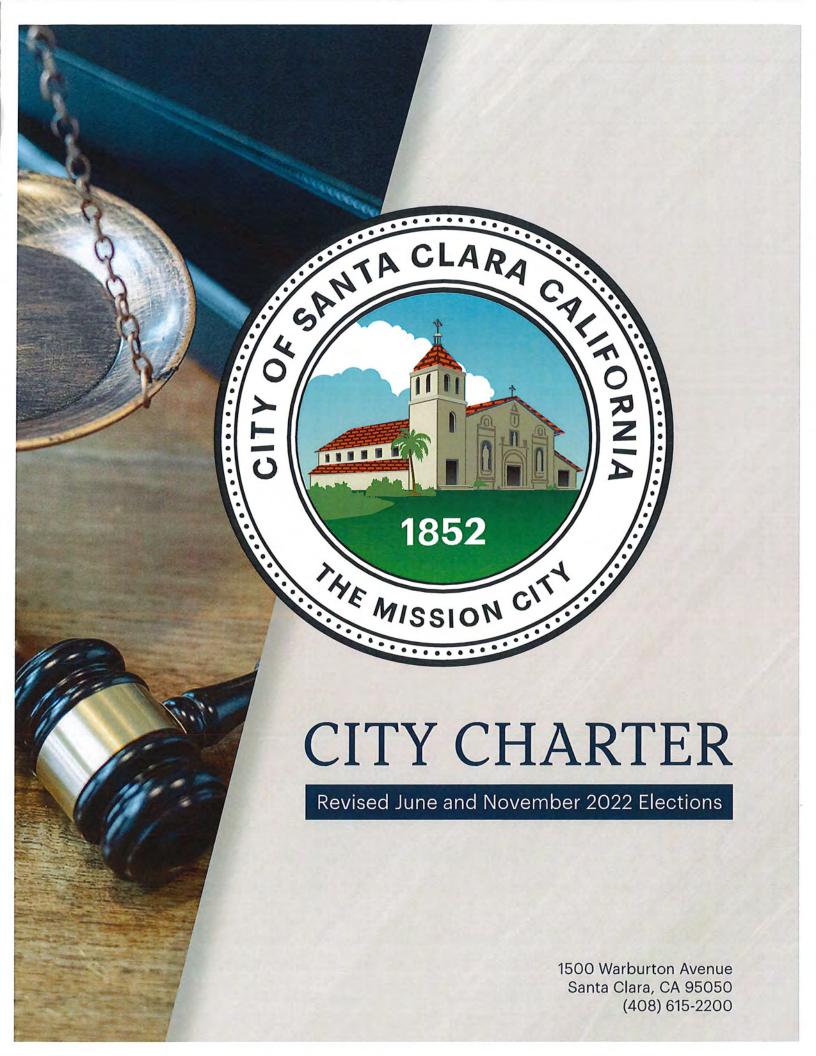
#### RECOMMENDATION

Review, discuss and provide direction to staff on the proposed formation of a City Charter Review Committee to engage in a comprehensive Charter review and amendment process

Approved by: Glen Googins, City Attorney and Jovan D. Grogan, City Manager

#### ATTACHMENTS

- 1. Current City Charter
- Summary of Past Approved and Rejected Amendments to the City Charter



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## THE CHARTER OF THE CITY OF SANTA CLARA, CALIFORNIA

#### Article I. Name of City

Sec. 100 Name.

The municipal corporation now existing and known as the "City of Santa Clara" shall remain and continue to be a municipal body politic and corporate, as at present, in name, in fact, and in law.

### Article II. Boundaries

Sec. 200 Boundaries.

The territory of the City shall be that contained within its present boundaries as now established, with the power and authority to change the same in the manner provided by law.

#### Article III. Succession

Sec. 300 Rights and liabilities.

The City of Santa Clara shall remain vested with and continue to have, hold and enjoy all property, rights of property and rights of action of every nature and description now pertaining to this municipality, and is hereby declared to be the successor of same. It shall be subject to all the obligations, liabilities, debts and duties that now exist against this municipality.

Sec. 301 Ordinances.

All lawful ordinances, resolutions, rules and regulations, or portions thereof, in force at the time this Charter takes effect, and not in conflict or inconsistent herewith, are hereby continued in force until the same shall have been duly repealed, amended, changed or superseded by proper authority.

Sec. 302 Continuance of present officers and employees.

The present officers, boards, commissions, and employees shall, without interruption, continue to perform the duties of their respective offices and employments for the compensation provided by ordinances, resolutions, rules, or laws, until the appointment and qualification of their successors under this Charter and subject to such removal and control as is herein provided.

Sec. 303 Continuance of contracts and public improvements.

All contracts entered into by the City, or for its benefit, prior to the taking effect of this Charter, shall continue in full force and effect. Public improvements for which proceedings have been instituted under laws or charter provisions existing at the time this Charter takes effect, in the discretion of the City Council, may be carried to completion as nearly as practicable in accordance with the provisions of such existing laws and charter provisions or may be continued or perfected hereunder.

Sec. 304 Pending actions and proceedings.

No action or proceedings, civil or criminal, pending at the time when this Charter takes effect, brought by or against the City or any office, department or agency thereof, shall be affected or abated by the adoption of this Charter or by anything herein contained; but all such actions or proceedings may be continued notwithstanding that functions, powers and duties of any office, department or agency party thereto, by or under this Charter, may be assigned or transferred to another office, department or agency, but in that event, the same may be prosecuted or defended by the head of the office, department or agency to which such functions, powers and duties have been assigned or transferred by or under this Charter.

## Article IV. Powers

Sec. 400 General grant of power.

The City of Santa Clara, by and through its City Council and other officials, shall have and may exercise all powers necessary and appropriate to a municipal corporation and the general welfare of its inhabitants which are not prohibited by the Constitution of the State of California or by this Charter, and which it would be competent for this Charter to set forth specifically, and the specification herein of any particular powers shall not be held to be exclusive of, or any limitation upon the general grant of powers heretofore or hereafter granted to municipal corporations by the constitution or general laws.

Sec. 401 Disposal of public utility.

No public utility owned by the City shall be sold, leased or otherwise transferred unless authorized by the affirmative votes of two-thirds of the electors voting on such proposition at any election at which the question of such disposal is submitted to the electors.

#### Article V. Form of Government

Sec. 500 Form of government.

The municipal government provided by this Charter shall be known as the "Council Manager" form of government.

#### Article VI. The Elective Officers

Sec. 600 City elected officers.

No person shall be eligible to hold the elective office of Mayor, Chief of Police Department or City Clerk, unless he or she is a resident and a qualified registered elector of the City. No person shall be eligible to hold the elective office of City Council Member, excepting the Mayor, unless he or she is a qualified registered elector of the City and a resident in the district represented by the Council Member office.

In order to hold the elective office of Mayor, Chief of the Police Department or City Clerk a person must have been a resident of the City of Santa Clara for at least thirty (30) days immediately preceding the last day specified by law for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

In order to hold the elective office of Council Member, excepting the Mayor, a person must have been a resident of the City of Santa Clara and of the District represented by the person as a Council Member for at least thirty (30) days immediately preceding the last day specified by law for the filing of nomination papers with the City Clerk for such office or, if appointed, preceding the date of the person's appointment to fill a vacancy.

The elective officers of the City shall consist of a City Council composed of seven members, the Chief of the Police Department and the City Clerk. The Mayor and the Chief of the Police Department and the City Clerk shall be elected from the City at large at the times and in the manner provided in this Charter. Except as otherwise herein provided, a person elected to an office for other than an unexpired term, shall serve a term of four years, and shall serve until a successor is elected and qualified. The term shall commence on the date the City Council certifies the canvass of the election returns submitted to it by the County Registrar of Voters.

The person receiving the most votes cast for a particular City office shall be declared duly elected. Ties shall be broken as provided from time to time by ordinance.

The office of Mayor shall be separately voted upon and is a separate office. The person elected at any election to the office designated "Mayor" shall be deemed elected, both as a Mayor and as a member of the Council. Although the Mayor is a Council member, his or her election does not change the number of Council members from seven.

No person shall be a candidate for both Mayor and a City Council office at the same election. However, an incumbent member of the City Council may run for the elective office of Mayor, and the Mayor may run for the separate office of Mayor or other City Council office. However, at no time shall a member of the Council, including the Mayor, hold more than one City elective office. Except as otherwise provided elsewhere in this Charter, no incumbent member of the City Council while serving in such office with an unexpired term of more than six months shall be a candidate for any Council office other than the one which he or she holds. (Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000, Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State Statutes of 2023.

Sec. 600.01 Municipal elections.

Commencing with the year 2000, a regular election shall be held in the City of Santa Clara on the first Tuesday following the first Monday in November of even numbered years. The regular election shall be held for the election of each municipal elective officer whose term of office regularly expires at that time, and for such other purposes as the Council may prescribe. Each such regular election shall be known as the general municipal election of the City, and shall be in lieu of all others previously so called. All other municipal elections that may be called under the authority of this Charter, or the California Elections Code, shall be known as special elections. (Amendment ratified 4-5-77; Amendment ratified 11-6-79; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 600.02 Consolidation of elections.

Any special election may be consolidated with a general municipal election and any municipal election may be consolidated with any State, County, or School District election held in the City or part thereof, in which case only one ballot need be printed for such consolidated election. (Amendment ratified 4-5-77)

Sec. 600.1 Time of taking office - Term.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 601 Eligibility.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

#### Article VII. The Council

Sec. 700 Term - Method of holding elections.

Except as specifically provided otherwise in this Charter with respect to City elections, the provisions of the State Elections Code, as amended from time to time, are hereby adopted. The City expressly reserves its rights with respect to the conduct of City elections pursuant to Section 5 of Article XI of the California Constitution. Any changes made by the City Council in the City elections procedure shall be by ordinance and shall not be in conflict with any other sections of this Charter.

There are hereby reserved to the electors of the City, the powers of the initiative and referendum and of the recall of municipal elective officers. No primary election shall be held for municipal officers. No error, omission or defect in the notice of elections shall be cause to invalidate any election held under the provisions of this Charter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 700.1 Offices separately filled.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 700.1 Elections - City Council Districts.

Members of the City Council, excepting the Mayor, shall be elected by district.

For the election to be held in November 2022 and each election thereafter, there shall be 6 (six) districts as such districts are designated on that certain map adopted by judgment of the Superior Court dated July 24, 2018, as set forth in Resolution No. 18-8585 of the City Council, as the boundaries of such districts shall be amended through a redistricting process following each decennial United States Census.

Council District elections shall be conducted as follows:

- (a) Each District shall be represented by one (1) Council Member.
- (b) In the election to be held in November 2022 and in each Council District election held thereafter the Council District elections shall be conducted as follows:
  - 1. the voters of District 2 shall nominate and elect one (1) Council Member for a four-year term; and
  - 2. the voters of District 3 shall nominate and elect one (1) Council Member for a four-year term.
- (c) In the election to be held in November 2024 and in each Council District election held thereafter the Council District elections shall be conducted as follows:
  - 1. the voters of District 1 shall nominate and elect one (1) Council Member for a four-year term;
  - 2. the voters of District 4 shall nominate and elect one (1) Council Member for a four-year term; and
  - 3. the voters of District 5 shall nominate and elect one (1) Council Member for a four-year term.
  - 4. the voters of District 6 shall nominate and elect one (1) Council Member for a four-year term. (Added by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10); Amended and renumbered from section 700.2 by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000, Amended by electors at an election held June 7, 2022, Charter Chapter 17 of the State Statutes of 2023.)

Sec. 700.2 Election Following Change of Boundaries

Upon any redistricting pursuant to the provisions of this section of the Charter or the ordinances enacted hereunder, each incumbent member of the Council will continue, during the remainder of the member's term, to hold office and represent the district by which the member was elected prior to such redistricting, notwithstanding any provision of Section 600 requiring a member to be a resident of the district represented by such member. (Section Number Repealed - text amended and renumbered to section 700.1 by electors at an election held March 7, 2000,

Charter Chapter 11 of the State *Statutes of 2000*, Amended and renumbered to Section 700.2 by electors at an election held June 7, 2022, Charter Chapter 17 of the State *Statutes of 2023*.)

Sec. 701 Term limits of mayor and council members.

No person elected as member of the Council shall be eligible to serve, or serve, for more than two (2) full terms; but such service prior to December 1, 2016, shall not disqualify any person from further service as a member of the Council. If a member of the Council serves a partial term in excess of two (2) years, it shall be considered a full term for the purpose of this provision. The office of elected Mayor, to be filled from the City at large, is a separate office from the Council and solely for the purpose of this term limit disqualification, is not a Council office or the Council. Consequently, time served in such office of elected Mayor is not time served on the Council and time served on the Council is not time served in such office of elected Mayor. (As amended by electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000; Amended by electors at an election held November 8, 2016, Charter Chapter 18 of the State Statutes of 2017)

Sec. 701.1 Qualifications for Chief of the Police Department.

Candidates for the office of Chief of Police shall meet the minimum eligibility and qualification requirements imposed by state law upon candidates for the office of sheriff. (Added by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 702 Compensation.

Commencing on July 1, 2017, each member of the City Council, other than the Mayor, shall receive as compensation the sum of two thousand dollars (\$2,000) per month. The Mayor shall receive as compensation the sum of two thousand five hundred dollars (\$2,500) per month.

Commencing on July 1, 2019, and every two years on July 1 thereafter, the compensation of the City Council and Mayor shall be set by a Salary Setting Commission consisting of five members to be appointed by the Civil Service Commission from the qualified electors of the City for a term of four years. The first members shall be appointed for a term commencing January 1, 2019. Initially, the Commissioners shall be appointed in a manner so that two are appointed for two-year terms and three are appointed for four-year terms. On or before March 15 of every odd year, the Salary Setting Commission shall establish the salary of the Mayor and members of the City Council for the period commencing July 1 of that odd year and ending two years thereafter. Salaries so established by the Commission shall not exceed one hundred ten percent (110%) of the previous figure.

If a member of the City Council, including the Mayor, does not attend all meetings of the City Council or study sessions called on order of the City Council and held during the month, the compensation to him/her for such month shall be reduced by the sum of twenty-five dollars (\$25.00) for each meeting or study session not attended unless he/she is absent with the consent of or on order of the City Council.

Absence from five consecutive regular meetings, unless excused by resolution of the City Council, shall operate to vacate the seat of any member of the City Council so absent. (As amended by electors at election held November 5, 1968, approved by Joint Resolution of the

Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*; Amended by electors at an election held November 8, 2016, Charter Chapter 17 of the State *Statutes of 2017*)

Sec. 703 Vacancies.

A vacancy in any elective office of the City, including Mayor, City Council, Chief of Police Department, and City Clerk, from whatever cause arising, shall be filled by appointment by the City Council by a four-fifths (4/5) vote of the remaining members.

In the event the City Council shall fail to fill a vacancy by appointment within thirty (30) days after such office shall have been declared vacant, it shall forthwith cause an election to be held to fill such vacancy. A person appointed or elected to fill a vacancy holds office for the unexpired term of the former incumbent, provided that if the vacancy occurs in the first half of a term of office and at least 130 days prior to the next general municipal election, the person appointed to fill the vacancy shall hold office until the next general municipal election that is scheduled 130 or more days after the date the City Council is notified of the vacancy, and thereafter until the person who is elected at that election to fill the vacancy has been qualified. The person elected to fill the vacancy shall hold office for the unexpired balance of the term of office. (As approved at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held November 8, 2016, Charter Chapter 19 of the State *Statutes of 2017*)

Sec. 704 Presiding officer - Mayor.

The Mayor shall be the presiding officer. The Mayor shall have a voice and vote in all its proceedings. He/she shall be the official head of the City for all ceremonial purposes. He/she shall perform such other duties as may be prescribed by this Charter or as may be imposed by the City Council consistent with his/her office. (As amended by the electors at election held November 5, 1968, approved by Joint Resolution of the Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 704.1 Mayor - Limitation of terms.

No person elected as Mayor shall be eligible to serve, or serve, more than two (2) full terms; but such service prior to December 1, 2016, shall not disqualify any person from further service as Mayor. If a Mayor serves a partial term in excess of two (2) years, it shall be considered a full term for the purpose of this provision. (Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held November 8, 2016, Charter Chapter 18 of the State *Statutes of 2017*)

Sec. 704.2 Mayor - Political position.

The Mayor shall be the political leader within the community by providing guidance and leadership to the City Council, by expressing and explaining to the community the City's policies and programs and by assisting the City Council in the informed, vigorous and effective exercise of its powers. Political leadership shall be concerned with the general development of the community and the general level of City services and activity programs. (Added by electors at

election held November 5, 1968, approved by Joint Resolution of Legislature filed with Secretary of State January 15, 1969)

Sec. 704.3 Mayor - Powers and duties.

The Mayor shall have the following powers and duties:

- (a) The Mayor shall have the power to make recommendations to the City Council on matters of policy and programs which require City Council decision; provided, that if he/she recommends any increases in the City budget, he/she shall recommend the method of financing such expenditure; and provided, further, that if he/she proposes curtailment of service, such recommendations and his/her reason therefor shall be specific. He/she may also, on his/her own account, inform the community on matters of policy or program which he/she believes the welfare of the community make necessary.
- (b) The Mayor shall preside at meetings of the City Council and shall have the vote as a member of the City Council. He/she shall have no veto power.
- (c) The Mayor shall have authority to preserve order at all City Council meetings, to remove or cause the removal of any person from any meeting of the City Council for disorderly conduct, to enforce the rules of the City Council and to determine the order of business under the rules of the City Council.
- (d) The Mayor shall exercise such other powers and perform such other duties as may be prescribed by the City Council, provided that the same are not inconsistent with this Charter. Nothing in this section shall be construed in any way as an infringement or limitation on the powers and duties of the City Manager as Chief Administrative Officer and head of the administrative branch of the City government as prescribed in other sections of this Charter. Except as otherwise herein provided, the Mayor shall possess only such authority over the City Manager and the administrative branch as he/she possesses as one member of the City Council. (Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 704.4 Mayor - Vacancy.

The office of Mayor shall become and be deemed vacant immediately upon the incumbent ceasing to be a member of the City Council. (Added by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State January 15, 1969)

Sec. 705 Vice Mayor.

The City Council shall designate one of its members as Vice Mayor. The Vice Mayor shall perform the duties of the Mayor during his/her absence or disability. The Vice Mayor shall serve in such capacity at the pleasure of the City Council. (As amended by electors at election held November 5, 1968, approved by Joint Resolution of Legislature filed with the Secretary of State, January 15, 1969; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 706 Powers.

All powers of the City shall be vested in the City Council, subject to the provisions of the Charter and to the Constitution of the State of California.

Sec. 707 Regular meetings.

The City Council shall hold regular meetings at least twice each month, at such times as it shall fix by ordinance or resolution and may adjourn or readjourn any regular meeting to a date certain, which shall be specified in the order of adjournment and when so adjourned, each adjourned meeting shall be a regular meeting for all purposes.

Sec. 708 Special meetings.

Special meetings may be called at any time by the Mayor, or by four members of the City Council pursuant to the provisions of the Ralph M. Brown Act, specifically Government Code Section 54956, as amended from time to time. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 709 Place of meeting.

All meetings of the City Council shall be held at the locations authorized by the Ralph M. Brown Act (commencing with Government Code Section 54950) as it now reads or is hereafter amended. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 710 Quorum.

A majority of the members of the City Council shall constitute a quorum for the transaction of business, but a less number may adjourn from time to time.

Sec. 711 Election and qualification of Council members.

The City Council shall judge the qualifications of its members as required by the Charter and shall judge all election returns.

Sec. 712 Proceedings.

The City Council shall establish rules for the conduct of its proceedings and punish any member or other person for disorderly conduct at any meetings. It shall have the power and authority to compel the attendance of witnesses, to examine them under oath, and to compel the production of evidence before it. Subpoenas may be issued in the name of the City and be attested by the City Clerk. Disobedience of such subpoenas, or the refusal to testify (upon other than constitutional grounds), shall constitute a misdemeanor.

The City Council shall cause the City Clerk to keep an accurate record of all its proceedings and, at the demand of any member, or upon the adoption of any ordinance or resolution for the payment of money, the City Clerk shall call the roll and shall cause the "ayes" and "noes" taken on any question, to be entered in the minutes of the meeting.

Sec. 713 Action by ordinance or resolution.

The City Council is hereby empowered to act by Ordinance or Resolution. An oral motion or order duly passed by the City Council and entered in the minutes of the Council shall have the same force and effect as a written Resolution duly introduced and passed by said City Council and shall be deemed to be a Resolution for all purposes.

Sec. 714 Power to lease, sell, or convey City property.

The City Council shall have power to lease, sell, convey, and dispose of any and all property of the City, subject to the provisions of Section 401 of this Charter, and provided further that no property exceeding five hundred dollars (\$500.00) in value shall be sold without first publishing notice of intention to sell in an official newspaper once a week for two weeks preceding the date of such sale. The notice of intention shall describe the property, the price theretofore offered for said property and the time and place when and where the sale will be consummated.

At the time fixed for said consummation of sale, the City Council shall call for further bids for said property and if any increased bid is received from a responsible bidder in at least five percent in excess of the original price offered for the same, then the City Council may accept the highest bid for said property or may order a new sale or may withdraw the property from sale.

Sec. 714.1 Protection of parkland and public open space.

Neither the Ulistac Natural Area, the Santa Clara Youth Soccer Park nor any other real property owned or controlled by the City that is presently listed or hereafter listed by ordinance in the inventory of parks and recreation facilities contained in Appendix Eight of the City of Santa Clara 2010-2035 General Plan shall be sold, leased or otherwise disposed of for a period of one hundred eighty (180) days or more, nor shall its use be changed, abandoned or discontinued without such sale, lease, disposal or changed use having been first authorized or ratified by a two-thirds (2/3) majority vote of the electorate, voting at a general municipal election for that purpose.

No substantial building, construction, reconstruction or development upon or with respect to any lands so dedicated shall be made except pursuant to ordinance subject to referendum.

The provisions of this Section 714.1 shall not apply to real property owned or controlled by the City that is subject to the CityPlace Master Community Plan originally adopted by the City Council by Resolution No. 8339. (Added by electors at an election held November 8, 2016, Charter Chapter 20 of the State *Statutes of 2017*)

Sec. 715 Power to levy and collect taxes.

The City Council shall have power to levy and collect taxes, and to collect license taxes for both regulation and revenue.

### Article VIII. City Manager, Ordinances, Meetings

Sec. 800 Appointment.

A City Manager shall be chosen by the City Council on the basis of his/her executive and administrative qualifications. No City Council member shall receive such an appointment during the term for which he/she shall have been elected, nor within two years thereafter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 801 Compensation.

The City Manager shall be paid a salary commensurate with his/her responsibilities as chief administrative officer of the City, which salary shall be established by ordinance or resolution. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 802 Powers and duties.

The City Manager shall be chief executive officer and the head of the administrative branch of the City government. He/she shall be responsible to the City Council for the proper administration of all affairs of the City and to that end, subject to the personnel provisions of this Charter, he/she shall have power and shall be required to:

- (a) Appoint and remove, subject to the Civil Service provisions of this Charter, all officers and employees of the City, except as otherwise provided by this Charter, and except as he/she may authorize the head of a department or office to appoint and remove subordinates in such department or office. No person related to the City Manager by blood or by marriage shall be eligible for office or employment in the City.
- (b) Prepare the budget annually and submit it to the City Council and be responsible for its administration after adoption.
- (c) Manage the City-owned water and power departments in a business-like manner, charging equitable rates for the services furnished and building up the properties so as to conserve their value and increase their capacity as needed by the City.
- (d) Prepare and submit to the City Council as of the end of the fiscal year a complete report on the finances and administrative activities of the City for the preceding year.
- (e) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem to him/her desirable.
- (f) Make investigations into the affairs of this City, or any department or division thereof, or any contract, or the proper performance of any obligation to the City.
- (g) Submit to the City Council at each meeting for its approval, the list of all claims and bills approved for payment by him/her.
- (h) Perform such other duties as may be prescribed by this Charter or required by him/her by the City Council, not inconsistent with this Charter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 803 Rules and regulations.

The City Manager may prescribe such general rules and regulations as he/she may deem necessary or expedient for the general conduct of the administrative offices and departments of the City under his/her jurisdiction. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 804 Manager pro tempore.

The City Manager shall appoint, subject to the approval of the City Council, one of the other officers of the City to serve as Manager Pro Tempore during any temporary absence or disability of the City Manager.

Sec. 805 Participation in Council action.

The City Manager and such other officers of the City as may be designated by the City Council, shall be accorded a seat at the City Council table and shall be entitled to participate in the deliberations of the City Council, but shall not have a vote.

Sec. 806 Removal of the City Manager.

The City Council shall appoint the City Manager for an indefinite term and may remove him/her by a majority vote of the entire Council. At least thirty (30) days before such removal shall become effective, the City Council shall by a majority vote of the entire Council, adopt a preliminary resolution stating the reasons for his/her removal. The City Manager may reply in writing and may request a public hearing, which shall be held not earlier than fifteen (15) days nor later than thirty (30) days after the filing of such request. After such public hearing, if one be requested, and after full consideration, the City Council by majority vote of the entire Council may adopt a final resolution of removal. By the preliminary resolutions, the City Council may suspend the City Manager from duty but shall in any case cause to be paid him/her forthwith any unpaid balance of his/her salary and his/her salary for the next calendar month following adoption of the preliminary resolution. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 807 Prohibition against Councilmanic interference.

Neither the City Council nor any of its members shall order or request the appointment of any person to an office or employment or his/her removal therefrom, by the City Manager, or by any of the department heads in the administrative service of the City. Except for the purpose of inquiry, the City Council and its members shall deal with the administrative service under the City Manager solely through the City Manager and neither the City Council nor any member shall give orders to any subordinates of the City Manager, either publicly or privately.

Any City Council member violating the provisions of this section, or voting for a resolution or ordinance in violation of this section shall be guilty of a misdemeanor and, upon conviction, shall cease to be a Council Member. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 808 Ordinances.

The enacting clause of every ordinance shall be "Be it ordained by the City of Santa Clara as follows:" No ordinance shall be finally adopted by the Council on the day of its introduction, nor within five days thereafter, nor at any time other than a regular meeting, nor until its publication as required in Section 812. However, ordinances calling elections and ordinances carrying out the provisions of elections need not be published prior to adoption. In case an ordinance is amended before its final adoption and after its publication, it shall in like manner be republished as required in Chapter Section 812, at least one day before its adoption as amended; provided, however, that where such amendment is made for the correction of clerical errors or omissions of form only, then such ordinances need not be given a first reading or a republication as corrected. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 809 Repeal or amendment of ordinances.

No ordinance or portion thereof shall be repealed except by ordinance. No ordinance shall be revised, re-enacted or amended by reference to its title only; but the ordinance to be revised or re-enacted, or the section or sections thereof to be amended, or the new section or sections to be added thereto, shall be set forth and adopted according to the method provided in this article for the enactment of ordinances, and such revision, re-enactment, amendment or addition, shall be done by ordinance only.

Sec. 810 Effective date of ordinances.

No ordinance shall become effective until thirty (30) days from and after the date of its adoption, except the following, which shall take effect upon adoption: (a) An ordinance calling or otherwise relating to an election; (b) An improvement proceeding ordinance adopted under some law, or procedural ordinance; (c) An ordinance declaring the amount of money necessary to be raised by taxation, or fixing the rate of taxation; or (d) An emergency ordinance adopted in the manner herein provided.

Sec. 811 Emergency ordinances.

Any ordinance declared by the City Council to be necessary as an emergency measure for preserving the public peace, health, safety or property, and containing a statement of the reasons for its urgency and adopted by a five-sevenths vote of the whole Council may go into effect at the will of the Council.

Sec. 812 Publication of ordinances.

The City Clerk shall cause each proposed ordinance to be posted at least three (3) days prior to its adoption in three (3) public places in the City and at least three (3) days prior to the ordinance adoption shall cause a single publication in an official newspaper to occur, setting forth the title of the ordinance, the date of its introduction, a brief summary of the ordinance and a list of the places where copies of the full text of the proposed ordinance are posted. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 813 Codification of ordinances.

Any or all properly enacted and unrepealed ordinances of the City may be compiled, consolidated, revised and indexed, including such restatements and substantive changes as are necessary for clarity in a comprehensive City Code.

A City Code may be adopted by reference by the passage of an ordinance in the same manner as other ordinances of the City. The City Code itself need not be published in the manner required for other ordinances. Prior to its adoption, not less than three copies of the Code shall be filed in the City Clerk's Office, for examination by the public. After the Code has been adopted, ordinances may be amendatory or revisory of the Code. Sections of the Code shall not be revised or amended by reference but readopted and published at length as revised or amended. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 814 Adoption of printed building codes, etc.

Ordinances establishing rules and regulations for the construction of buildings, the installation of plumbing, the installation of electric wiring, or other similar work, where such rules and regulations have been printed as a code in book form, may be adopted by reference by the passage of an ordinance in the same manner as other ordinances of the City. The code so adopted need not be published at length, provided, however, that not less than three copies of such code shall have been filed, for use and examination by the public, in the office of the City Clerk prior to the adoption thereof.

Sec. 815 Publishing of legal notices.

The City Council shall by resolution designate one or more newspapers of general circulation in the City of Santa Clara as official newspaper for the publication of any legal notice or other matter required to be published in a newspaper of general circulation in said City. If it appears to the City Council that the rates offered are unfair, it need not designate an official newspaper. Upon making a finding to such effect, or if publication of newspapers which have been so designated are suspended, then legal notices, ordinances or other matter required to be published in an official newspaper may be published by posting copies thereof in at least three public places in the City. The places for posting of legal notices shall be fixed by ordinance of the City Council.

No defect or irregularity in proceedings taken under this section, or failure to designate an official newspaper, shall invalidate any publication where the same is otherwise in conformity with this Charter, or law, or ordinance.

#### Article IX. Officers and Employees

Sec. 900 Officers to be appointed by the City Council and by the City Manager.

In addition to the City Manager, the City Council shall appoint and affix the compensation for the City Attorney and City Auditor who shall serve at the pleasure of the City Council and may be removed by motion of the City Council adopted by at least four affirmative votes.

All other officers and department heads of the City shall be appointed by the City Manager and shall serve at the pleasure of the City Manager at compensation fixed by the City Council.

(Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 901 Other appointive officers.

The City Council may provide by ordinance for the creation, consolidation or abolishment of the City departments or offices, not specifically enumerated in this Charter. Each department so created shall be headed by an officer as department head who shall be appointed by the City Manager.

Sec. 902 Appointive officers; duties.

Each appointive officer shall perform the duties imposed upon him/her by this Charter, by ordinance, or resolution and, if under jurisdiction of the City Manager, shall perform such other duties relating to his/her office as may be required of him/her by the City Manager. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 903 City clerk; powers and duties.

The City Clerk shall have the power and be required to:

- (a) Attend all meetings of the City Council and be responsible for the recording and maintaining of a full and true record of all the proceedings of the City Council in books that shall bear appropriate titles and be devoted to such purposes;
- (b) Maintain separate books, in which shall be recorded respectively all ordinances and resolutions, with the certificate of the clerk annexed to each thereof stating the same to be the original or a correct copy, and as to an ordinance requiring publication, stating that the same has been published or posted in accordance with this Charter;
- (c) Maintain separate books, in which a record shall be made of all written contracts and official bonds:
- (d) Keep all aforementioned books properly indexed and open to public inspection when not in actual use;
  - (e) Be the custodian of the seal of the City;
- (f) Administer oaths or affirmations, take affidavits and depositions pertaining to the affairs and business of the City and certify copies of official records; and
  - (g) Have charge of all City elections.

The City Council may, in its discretion, appoint any other officer or employee of the City as City Clerk and grant such person additional compensation for the performance of such duties.

Sec. 904 Director of Finance.

There shall be a department of finance; the head of which shall be the Director of Finance, who as determined by the City Council, shall be, or be appointed by, the City Manager. The Director of Finance under the supervision of the City Manager shall have charge of the administration of

the financial affairs of the City, including the financial affairs of the City-owned public utilities, and he/she shall have power and be required to:

- (a) Compile the budget expense and capital estimates for the City Manager;
- (b) Supervise and be responsible for the disbursement of all monies and have control over all expenditures which have been budgeted;
- (c) Maintain a general accounting system for the City government and of its offices, departments and agencies; keep books for, prescribe the financial forms to be used by and exercise financial budgetary control over each office, department or agency;
- (d) Submit to the City Council, through the City Manager, a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the City;
- (e) Prepare for the City Manager, as of the end of each fiscal year, a complete financial statement and report;
- (f) Collect all taxes, special assessments, utility charges, license fees and other revenues of the City for whose collection the City is responsible except City taxes collected by the County and as provided in Section 1306, and receive all money receivable by the City from the State or Federal government, or from any court, or from any office, department or agency of the City;
  - (g) Receive and have custody of all monies receivable by the City from any source;
- (h) Deposit all monies received in such depositories as may be designated by resolution of the City Council or, if no resolution be adopted, by the City Manager, and in compliance with all the provisions of the State Constitution and laws of the State governing the handling, depositing and securing of public funds; and
- (i) Have custody of all investments and invested funds of the City government, or in possession of such government in a fiduciary capacity, and have the safe-keeping of all bonds and notes of the City and the receipt and delivery of City bonds and notes for transfer, registration or exchange. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 905 City Engineer and Department of Public Works.

- (1) City Engineer. The City Engineer shall be a Registered Professional Engineer in the State of California, and he/she shall have the power and be required to:
- (a) Supervise and be responsible for all City engineering work, including the preparation of engineering maps, surveys, and designs;
- (b) Perform such other duties as the City Council may from time to time prescribe, either by ordinance or resolution; and,
- (c) On vacating the office, surrender to his/her successor all maps, plans, field notes and other records and memoranda belonging to the City and pertaining to his/her office and the work thereof.

(2) Director of Public Works and Utilities. The Director of Public Works and Utilities, who may be the City Engineer, shall, under the supervision of the City Manager, be in charge of the administration of such departments of the City, including engineering and utilities, as are or may be from time to time designated by the City Council. (As amended 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 906 Chief of the Police Department.

The Chief of Police shall have power and be required to:

- (a) Preserve the public peace;
- (b) Execute and return all process issued to him/her by legal authority; and
- (c) Exercise all the powers that are now or may hereafter be conferred upon sheriffs and other police officers by the laws of the State. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 907 Chief of the Fire Department.

The Chief of the Fire Department shall have the power and be required to:

- (a) Supervise all matters relating to the prevention and extinguishing of fires and the protection of all property impaired thereby; and
- (b) Make frequent inspection of all property within the City to enforce fire prevention regulations.

Sec. 908 City Attorney.

There shall be a City Attorney who shall have the power and be required to:

- (a) Represent and advise the City Council and all City officers in all matters of law pertaining to their offices;
- (b) Represent and appear for the City and any City officer or employee or former City officer or employee, in any or all actions and proceedings in which the City or any such officer or employee in or by reason of his/her official capacity, is concerned or is a party, but the City Council shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter or to assist the City Attorney therein;
- (c) Attend all meetings of the City Council and give his/her advice or opinion in writing whenever requested to do so by the City Council, or by any of the boards or officers of the City;
- (d) Approve the form of all bonds given to and all contracts made by the City, endorsing his/her approval thereon in writing;
- (e) Prepare any and all proposed ordinances or resolutions for the City, and amendments thereto:

- (f) Prosecute on behalf of the people all criminal cases for violation of this Charter and of City ordinances; and
- (g) On vacating the office, surrender to his/her successor, all books, papers, files, and documents pertaining to the City's affairs.

To be eligible for appointment as City Attorney, the appointee shall have been admitted to practice as an attorney at law before the Supreme Court of the State of California, and shall have been engaged in the active practice of law for at least four years immediately prior to his/her appointment. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 909 City Auditor.

The City Auditor shall audit and approve all bills, invoices, payrolls, demands or charges against the City government before payment and, with the advice of the City Attorney, advise the City Council as to the regularity, legality and correctness of such claims, demands or charges.

The City Council may, in its discretion, appoint any other officer or employee of the City as City Auditor and grant such person additional compensation for the performance of such duties. Sec. 910 Administrative Code.

Within six months after the adoption of this Charter, the Council shall adopt by ordinance an administrative code providing for a plan of administrative organization of the City government, which will cover all matters concerning the powers, duties, term of office, procedure of all the officers, boards and commissions, and employees of the City; provided, however, that the provisions of said code shall not be in conflict with any of the provisions of this Charter. This administrative code will cover all rules and regulations relating to fiscal operations, personnel management, election procedure, and other matters concerning the operation of the functions of the City government.

Sec. 911 Official bonds.

The City Council shall fix by ordinance the amounts and terms of the official bonds of all officials or employees who are required by this Charter or by ordinance to give such bonds. All bonds shall be executed by responsible corporate surety, shall be approved as to form by the City Attorney, and shall be filed with the City Clerk, except the City Clerk's bond which shall be filed with the City Manager. Premiums on official bonds shall be paid by the City.

In all cases wherein an officer or employee of the City is required to furnish a faithful performance bond, there shall be no personal liability upon, or right to recover against, his/her superior officer, or the bond of the latter, for any wrongful act or omission of the former, unless such superior officer was a party to, or conspired in, such wrongful act or omission. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 912 Oath of office.

Each member of the City Council, of every board and commission, and each officer and department head, before entering upon the discharge of the duties of his/her office shall take, subscribe to and file with the City Clerk the following oath of affirmation: "I do solemnly swear

(or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter." (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

#### Article X. Appointive Boards and Commissions

Sec. 1000 In general.

There shall be the following enumerated boards and commissions which shall have the powers and duties herein stated, and such other powers and duties as may be conferred by the City Council which are not inconsistent herewith. In addition, the City Council may create by ordinance such boards or commissions as in its judgment are required and may grant to them such powers and duties as are consistent with the provisions of this Charter.

Sec. 1001 Appropriations.

The City Council shall include in its annual budget sufficient appropriations of funds for the efficient and proper functioning of such boards and commissions.

Sec. 1002 Appointments; terms.

Except as otherwise provided in this article, the members of each of such boards or commissions shall be appointed, and shall be subject to removal, by motion of the City Council adopted by at least four affirmative votes. Except as otherwise provided in this article, the members of such boards and commissions shall serve for a term of four years and until their respective successors are appointed and qualified; provided, however, the members first appointed to those boards and commissions shall so classify themselves by lot that each succeeding July 1st the term of at least one of their number shall expire.

Sec. 1003 Meetings; Chair.

As soon as practicable, following the first day of July of every year, each of such boards and commissions shall organize by electing one of its members to serve as presiding officer at the pleasure of such board or commission. Each board or commission shall hold regular meetings as required by ordinance of the City Council, and such special meetings as it may require. All proceedings shall be open to the public unless the nature of any proceeding is such that in the opinion of such board or commission the public interest would be best served by closing a particular proceeding to the public, and the reasons therefor are declared in any action closing such proceeding. Upon conclusion of any such proceeding any final action which is to be taken by such board or commission, with respect to such proceedings, shall be taken in open meeting.

The affirmative or negative vote of a majority of the entire membership of such board or commission shall be necessary for it to take action. Each board or commission shall keep a record of its proceedings and transactions. Each board or commission may prescribe its own rules and regulations which shall be consistent with this Charter and copies of which shall be kept on file in the office of the City Clerk where they shall be available for public inspection. It shall have the same power as the City Council to compel the attendance of witnesses, to

examine them under oath and to compel the production of evidence before it. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1004 Compensation, vacancies.

The members of boards and commissions shall serve without compensation for their services as such, but may receive reimbursement for necessary traveling and other expenses when on official duty on order of the City Council.

Except as otherwise herein provided, any vacancies in any board or commission from whatever cause arising, shall be filled by appointment by the City Council. Upon a vacancy occurring leaving an unexpired portion of a term, any appointment to fill such vacancy shall be for the unexpired portion of such term. If a member of a board or commission absents himself/herself from three regular meetings of such board or commission, consecutively, unless with permission of such board or commission expressed in its official minutes, or is convicted of a crime involving moral turpitude, or ceases to be a qualified elector of the City, his/her office shall be vacant and shall be so declared by the City Council. (As amended, 1967 Statutes, Senate Concurrent Resolution No. 35; Chapter 61; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1005 Oaths; affirmations.

Each member of any such board or commission shall have the power to administer oaths and affirmations in any investigation or proceeding pending before such board or commission.

Sec. 1006 Planning Commission - Generally.

There shall be a City Planning Commission consisting of seven members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government except that the City Manager, and the Director of Public Works and Utilities, or their designated representatives, shall serve as ex-officio members of the commission. (As amended, 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101)

Sec. 1007 Planning Commission - Duties and powers.

The Planning Commission shall have power and be required to:

- (a) After a public hearing thereon, recommend to the City Council the adoption, amendment, or repeal of the General Plan or any part thereof for the physical development of the City:
- (b) Exercise such functions with respect to land subdivisions, planning, and zoning as may be prescribed by ordinance; and
- (c) Exercise such planning, zoning, environmental or other function as now or may be hereafter authorized by the State of California in so far as they do not conflict with the provisions of this Charter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1008 Parks and Recreation Commission.

There shall be a City Parks and Recreation Commission consisting of seven members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government.

Sec. 1009 Parks and Recreation Commission - Powers and duties.

The Parks and Recreation Commission shall have power and be required to:

- (a) Act in advisory capacity to the City Council in all matters pertaining to parks, recreation, playgrounds and entertainment;
- (b) Consider the annual budget of the Parks and Recreation Department during the process of its preparation and make recommendations with respect thereto to the City Manager and the City Council; and
- (c) Assist in the planning and supervision of a recreation program for the inhabitants of the City, promote and stimulate public interest therein and to that end, solicit to the fullest extent possible the cooperation of school authorities and other public and private agencies interested therein. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1010 Civil Service Commission.

There shall be a Civil Service Commission consisting of five members to be appointed by the City Council from the qualified electors of the City, none of whom shall hold any paid office or employment in the City government.

Sec. 1011 Civil Service Commission - Powers and duties.

- (a) The Civil Service Commission is charged with the duty of providing qualified persons for appointment to the service of the City. All appointments in the public service shall be made for the good of that service, and solely upon merit and fitness, as established by appropriate test, without regard to partisan politics, race, color or religious belief.
- (b) Act as Board of Review to hear petitions by civil service employees, and applicants for civil service positions, and to grant or deny such petitions.
- (c) Perform such other duties as may be required by the civil service rules and regulations. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1012 Board of Library Trustees.

There shall be a Board of Library Trustees consisting of five members to be appointed by the City Council from the qualified electors of the City and no member of said Board shall hold any paid office or employment in the City government.

Sec. 1013 Board of Library Trustees - Powers and duties.

The Board of Library Trustees shall have charge of the administration of the Santa Clara Free Public Library and shall have power and be required to:

- (a) Make and enforce such by-laws, rules and regulations as it may deem necessary for the administration and protection of the City library;
- (b) Approve or disapprove the appointment of a librarian who shall be the department head;
- (c) Accept into the library fund and administer money, personal property or real estate donated to the City or otherwise acquired for library purposes subject to the approval of the City Council:
- (d) Contract with school, county or other governmental agencies to render or receive library services or facilities, subject to the approval of the City Council. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

#### Article XI. Civil Service

Sec. 1100 Civil service; merit principle.

Appointments and promotions in the service of the City shall be made according to merit and fitness, to be ascertained, so far as practicable, by competitive examination.

Sec. 1101 Classified service.

The civil service of the City shall be divided into the unclassified and classified service.

- (a) The unclassified service shall comprise the following offices and positions:
  - (1) All elective officers;
  - (2) City Manager;
  - (3) City Attorney;
  - (4) City Clerk;
  - (5) City Auditor;
  - (6) The head of each department, including but not limited to, the Director of Finance, Director of Public Works and Utilities, City Engineer, Chief of the Police Department, Chief of the Fire Department;
  - (7) The Assistant City Manager, Assistant City Attorney, and Assistant Department Heads, whenever so designated by the City Council;
  - (8) All members of boards and commissions;

- (9) Persons employed for a temporary or special purpose, for a period not to exceed six months in any one calendar year, if the City Manager certifies that such employment is temporary and that the work shall not be performed by employees in the classified service;
- (10) Persons employed to render professional, scientific, technical or expert service of an occasional and exceptional character;
- (11) Volunteer members of the Fire Department and Police Reserve; and,
- (12) The City Council by ordinance may divide or separate any department of the City into divisions and by ordinance may provide that the employee selected to be the head of any such division shall be in the unclassified service.
- (b) The classified service shall comprise all positions not specifically included in this section in the unclassified service. (As amended 1965 Statutes, Senate Concurrent Resolution No. 74, Chapter 101; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1102 Appointments from classified to the unclassified service.

In the event an officer or employee of the City holding a position in the classified service is appointed to a position in the unclassified service, and should subsequently be removed therefrom, he/she shall revert to his/her former position in the classified service without loss of any rights or privileges and upon the same terms and conditions as if he/she had remained in said position continuously. Should such person be eligible for retirement under the retirement system at the time of such subsequent removal, upon recommendation of the City Manager, he/she shall be retired in lieu of being restored to his/her former position. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1103 Classification.

The City Manager shall prepare and submit to the City Council a plan of classification and grading of all positions in the City Service according to similarity of authority, duties and responsibilities. Such classification plan shall take effect when adopted by the City Council. Additions or changes in the classification plan may be adopted from time to time by the City Council upon the recommendation of the City Manager.

Sec. 1104 Pay plan.

The City Manager shall prepare and submit to the City Council a standard schedule of pay for each position in the classified service. Such pay plan when adopted by the City Council shall include a minimum and maximum and such intermediate rates as may be deemed desirable for each class of positions. Amendments to the pay schedule may be adopted from time to time upon the recommendation of the City Manager.

Sec. 1105 Civil service rules and regulations.

The City Council shall adopt civil service rules and regulations governing the administration of the City civil service system to implement the provisions of this Article.

Sec. 1106 Reserved.

Code reviser's note: At an election held on November 7, 1972, the electors repealed former section 1106 containing provisions prohibiting persons in the classified service from engaging in certain political activities. Said former section was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said section 1106 was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

Sec. 1107 Prohibitions.

No person shall willfully or corruptly make any false statement, certificate, mark, rating or report in regard to any application, test, certification, or appointment held or made under the personnel provision of this Charter or in any manner commit or attempt any fraud preventing the impartial execution of such personnel provisions or rules and regulations made hereunder.

Any person who by himself/herself or with others willfully or corruptly violates any of the provisions of this Article shall be guilty of a misdemeanor and shall upon conviction thereof be punished by a fine of not more than one thousand dollars (\$1,000.00), or by imprisonment for a term not exceeding one year, or by both such fine and imprisonment. Any person convicted hereunder shall be ineligible for a period of five years for employment in the City service and shall, if he/she is an officer or employee of the City, immediately forfeit his/her office or position. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1108 Contract for administrative services.

The City Council, upon recommendation of the City Manager, may contract with the governing body of any other city, or county within this state, or with any state department, or with any private or governmental agency for the furnishing of administrative, fiscal, or personnel services.

#### Article XII. Retirement

Sec. 1200 State system.

The "Public Employees' Retirement Law," as it now exists or may hereafter be amended, is hereby adopted for the City of Santa Clara, and plenary authority and power are hereby vested in said City, its City Council and its several officers, agents and employees at their discretion to do and perform any act, or exercise any authority granted, permitted, or required under the provisions of said Retirement Law, to enable said City to become or continue as a contracting City participating in the Public Employees' Retirement System; provided, however, that the City Council may terminate any contract entered into with the Board of Administration of the Public Employees' Retirement System only under authority granted by ordinances adopted by a majority vote of the electors of the City of Santa Clara, voting on such proposition at an election at which such proposal is presented. (As amended by electors at election held November 7, 1972, approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10))

#### Article XIII. Fiscal Administration

Sec. 1300 Fiscal year.

Unless otherwise provided by ordinance, the fiscal year of the City government shall begin on the first day of July of each year and end on the 30th day of June of the following year. (As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)

Sec. 1301 Annual budget; preparation by the City Manager.

At such date as he/she shall determine, the City Manager shall obtain from each office, department or agency of the City, estimates of revenue and expenditure for such office, department or agency, detailed in such manner as may be prescribed by the City Manager. In preparing the proposed budget, the City Manager shall review the estimates, shall hold conferences thereon with the head of such office, department or agency, respectively, and may revise the estimates as he/she may deem advisable. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1302 Budget - Submission to City Council.

At least thirty-five (35) days prior to the beginning of each fiscal year, or at such prior date thereto determined by the City Council, the City Manager shall submit to the City Council the proposed budget as prepared by him/her. After reviewing the same and making such revisions as it may deem advisable, the City Council shall determine the time for the holding of a public hearing thereon and shall cause to be published a notice thereof not less than ten days prior to said hearing, by at least one insertion in an official newspaper.

Copies of the proposed budget shall be available for inspection by the public in the office of the City Clerk at least ten days prior to said hearing. (As amended 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121; Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1303 Budget - Public hearing.

At the time so advertised, or at any time to which such public hearing shall from time to time be adjourned, the City Council shall hold a public hearing on the proposed budget, at which interested persons shall be given an opportunity to be heard.

Sec. 1304 Budget - Further consideration and adoption.

After the conclusion of the public hearing, the City Council shall further consider the proposed budget and make any revisions thereof that it may deem advisable and on or before June 30 it shall adopt the budget with revisions, if any, by the affirmative votes of at least four members. Upon final adoption, the budget shall be in effect for the ensuing fiscal year. A copy thereof, certified by the City Clerk, shall be filed with the City Manager and a further copy shall be placed and shall remain on file in the office of the City Clerk where it shall be available for inspection. The budget so certified shall be reproduced and copies made available for the use of departments, offices and agencies of the City. (As amended, 1959 Statutes, Senate Concurrent Resolution No. 37; Chapter 121)

Sec. 1305 Budget - Appropriations.

From the effective date of the budget, the several amounts stated therein as proposed expenditures shall be and become appropriated to the several departments, offices and agencies for the respective objects and purposes therein named. All appropriations shall lapse at the end of the fiscal year to the extent that they shall not have been expended or lawfully encumbered.

At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by motion adopted by the affirmative votes of at least five members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget.

Sec. 1306 Tax system and collection of taxes.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1306.5 Budget and levy of taxes for interim period between fiscal years.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1307 Tax limits.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1308 Tax liens.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1309 Bonded debt limit.

The bonded indebtedness of the City may not in the aggregate exceed the sum of fifteen percent (15%) of the total assessed valuation of property within the City, exclusive of revenue bonds or any indebtedness that has been or may hereafter be incurred for the purposes of acquiring, constructing, extending, or maintaining municipally owned utilities, for which purposes a further indebtedness may be incurred by the issuance of bonds, subject only to the provisions of the State Constitution and of this Charter.

Sec. 1310 Contracts on public works.

Every contract involving an expenditure of more than one thousand dollars (\$1,000.00) for the construction or improvement, (excluding maintenance and repair), of public buildings, works, streets, drains, sewers, utilities, parks and playgrounds shall be let to the lowest responsible bidder after notice by publication in an official newspaper by one or more insertions, the first of which shall be at least ten days before the time for opening bids.

The City Council may reject any and all bids presented and may re-advertise in its discretion.

The City Council, without advertising for bids, or after rejecting bids, or if no bids are received, may declare and determine that, in its opinion, the work in question may be performed better or more economically by the City with its own employees, and after the adoption of a resolution to this effect by at least four affirmative votes, it may proceed to have said work done in the manner stated, without further observance of the provisions of this section. Such contracts likewise may be let without advertising for bids, if such work shall be deemed by the City Council to be of urgent necessity for the preservation of life, health or property, and shall be authorized by motion passed by at least four affirmative votes and containing a declaration of the facts constituting such urgency.

Sec. 1311 General fund.

The City Council shall maintain a General Fund for the purpose of accounting for the general government revenue and the expenditures of the various City departments resulting from the provision of general government services.

The City Council shall maintain a General Contingency Reserve Fund. A reserve shall be built up in this fund from any available sources including any excess of revenues over expenditures in the General Fund during any fiscal year.

The City Council may establish reserve accounts in the General Contingency Reserve Fund as needed to segregate monies for particular purposes. Transfers may be made by the City Council from the General Contingency Reserve Fund to any other fund or funds, of such sum or sums as may be required for the purposes Council deems appropriate. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1312 Capital project funds.

Capital Project funds shall be created and maintained as necessary to segregate and account for specific capital improvement project transactions and appropriations shall be included in the Capital Improvement Project Budget. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1313 Department funds.

The City Council shall maintain separate accounting records for the collection of revenues and disbursement of expenditures that are related to specific functions as determined by federal, state, other agency laws or City Charter provisions and regulations or as determined by Council action. These specific functions include, but are not limited to: the various City utilities whose operations are funded by user charges; grant programs; and trust funds established by bequest. Separate funds or accounts shall be maintained such that proper reporting can be made at any time. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1314 Petty cash funds.

The City Council may provide for revolving petty cash funds, to be paid to the City Manager or department heads and used for payment in cash of expenditures provided for in the budgets that cannot conveniently be paid otherwise. The City Manager, and such department heads, shall account to the City Council for all disbursements made therefrom when making demand

for replenishment of the same and at such other times as the Council may require and the amounts shall thereupon be charged against the proper appropriations.

Sec. 1315 Presentation of demands.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1316 Registering warrants.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1317 Actions against City.

No suit or action for money or damages, whether sounding in tort, contract or some other theory, may be brought against the City, or any board, commission, agency or officer, agent or employee thereof, until a claim has been filed with the City, and either the City acts on the claim or it is deemed denied by operation of law. The procedures prescribed by State law governing the presentations, consideration and enforcement of claims against cities and its officers, agents and employees shall apply to the presentation, consideration and enforcement of claims against the City. Claims for money or damages which are excepted from or not covered by State law may be governed by the procedures established by City ordinance. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1318 Centralized purchasing.

A centralized purchasing system shall be established for all City Departments, offices, and agencies. The City Manager shall recommend and the City Council shall consider and adopt by ordinance, rules and regulations governing the contracting for purchasing, storing, distribution, or disposal of all supplies, materials and equipment, required by any department, office or agency of the City government.

Sec. 1319 Independent audit.

The Council shall employ, at the beginning of each fiscal year, an independent certified public accountant who shall audit the books, records and accounts of all officers and employees of the City who receive, administer or disburse public funds, and such other officers, employees, departments and agencies as the Council may direct. Such audit shall be made at such times as may be prescribed by the City Council but shall be at least annually.

As soon as practicable after the end of the fiscal year, a final audit and report shall be submitted by such independent accountant to the Council, the City Manager and the City Attorney. Three (3) copies of the audit shall be placed on file in the City Clerk's office where they shall be available for public inspection. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1320 Utilities fund.

Receipts from the utilities operated by the City shall be paid into the City Treasury and maintained in a separate utilities fund for such utilities. Expenditures from such fund shall be made for the following purposes only for such utilities in the order named, viz.:

- (a) For the payment of operating expenses, pension charges and proportionate payments to such compensation and other insurance and accident reserve funds as the City or the City Council may establish;
  - (b) For repairs and maintenance;
- (c) For the payment of interest and sinking funds on bonds issued for acquisition, construction or extensions;
- (d) For the payment of five per cent of the gross receipts from such utilities to the general fund of the City; subject, however, to such limitations as may be contained in any resolution or indenture heretofore adopted providing for the issuance of revenue bonds for the acquisition, construction or improvement of such utilities, which bonds are now outstanding or may hereafter be issued under such existing resolution or indenture;
  - (e) For extensions and improvements;
- (f) For the establishment of a sinking fund within the utilities fund for the replacement of utilities property in the minimum amount of two million five hundred thousand dollars (\$2,500,000.00).

The City Council shall cause records to be kept of the receipts and expenditures of each utility and of credits and debits of each utility in the aforementioned utilities fund. The City Council may, however, order expenditures from the utilities fund for any utility even though that utility has no credit in the utilities fund, provided only that the balance in the utilities fund is greater than the proposed expenditure. (As Amended, 1967 Statutes, Senate Concurrent Resolution 35; Chapter 61; Amendment ratified 11-4-80; Amended by electors at an election held November 8, 2023, Charter Chapter 18 of the State *Statutes of 2023*)

#### Sec. 1321 Revenue bonds.

- (a) The City Council, when authorized at an election as hereinafter provided, shall have power to issue revenue bonds for the purposes authorized by the general laws of the State of California including the issuance of refunding revenue bonds and also shall have power to borrow money and incur indebtedness for any and all revenue producing works, undertakings, enterprises and utilities (hereinafter in this section referred to as "works") to the end that, as far as practicable, all such works shall be self sustaining and shall be paid for directly out of the revenues therefrom. Such works may be financed through the issuance of revenue bonds.
- (b) Neither such revenue bonds, nor the interest accruing thereon, shall be, or evidence, indebtedness of the City. Such revenue bonds, and the interest accruing thereon, shall be a charge solely upon such of the revenues of the works on account of which they are issued as by the terms of their issuance are so charged therewith, but shall not be a charge, lien or encumbrance, legal or equitable, upon, nor shall any recourse on account thereof be had against any income, receipts, revenues, funds, or property of the City, other than such charge

upon such revenues of the work on account of which they are issued, and neither the credit nor the taxing power of the City shall be deemed to be pledged to, or charged with, such payment, nor shall the holder of any such bond have any right to compel the exercise of such taxing power.

- (c) The City Council may avail itself of any of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of revenue bonds or the City Council may, by ordinance or resolution effective upon adoption set up and establish a procedure for the issuance of such revenue bonds, the calling and holding of elections therefor, and all matters pertaining to the issuance and sale of such bonds; provided, however, that the issuance of said revenue bonds shall be submitted to the electors at an election and the votes of a majority of all those voting on the proposition shall be required to authorize the issuance of the bonds.
- (d) Nothing in this section or elsewhere in this Charter, shall preclude the issuance, when authorized by two-thirds vote of the duly qualified electors of the City voting upon the proposition, of bonds of the City, for the purposes of any works, pursuant to proceedings therefor taken in accordance with the Constitution and general laws of the State. It is nevertheless the intention of this Charter that all principal and interest accruing on such bonds of the City if any, shall be provided currently out of the revenue fund pertaining to the works on account of which such bonds of the City shall have been issued, so far as it is practicable to make such provisions after the payment of all costs of operation and maintenance of said works and of all principal and interest on revenue bonds of the City issued on account of said works, and that so far as such current provision is not practicable, the general funds of the City shall be reimbursed out of said revenue fund, as soon as practicable, for all moneys paid from such general funds on account of such bonds of the City.
- (e) The City Council shall have power to issue revenue bonds to finance the generation, production, transmission and distribution of electric energy, including the acquisition and/or construction of lands and facilities therefor, without authorization at an election. The City Council may avail itself of the procedures now or hereafter authorized by the general laws of the State of California for the issuance of such revenue bonds or the City Council may, by ordinance or resolution effective upon adoption, set up and establish a procedure for the issuance of such revenue bonds and all matters pertaining to the issuance and sale of such bonds. This section (e) does not authorize the financing of a nuclear plant, or an interest therein, unless approved by an election. (Amendment ratified 11-3-81)

#### Article XIV. Franchises

Sec. 1400 Procedure; terms.

The City Council may by ordinance provide a procedure for the granting of franchises or grant franchises pursuant to the procedure provided by the State law. Franchises may be granted for the use by any public utility of the streets, public places or property of the City upon such terms, conditions, restrictions and limitations as may be prescribed by ordinance, but no franchise shall be granted without reserving to the City adequate compensation for the privilege conferred. Such franchises may be granted either for a fixed or an indeterminate period.

#### Article XV. Reserved

Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XV, section 1500 - 1505, pertaining to the police court. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951. The repeal of said Art. XV was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

#### Article XVI. Reserved

Code reviser's note: At an election held on November 7, 1972, the electors repealed former Art. XVI, section 1600, pertaining to the school department. Said former article was adopted by the electors at an election held on April 2, 1951, and approved by the State legislature on April 25, 1951, and amended by the State legislature (1957 Stats., p. 4459). The repeal of said Art. XVI was approved by Senate Concurrent Resolution (1973 Stats., Res. Ch. 10).

## Article XVII. Reserved Powers, State Elections Code and Amendments to State Elections Code

Sec. 1700 Reserved powers.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1701 State Elections Code.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

Sec. 1702 Amendments to State Elections Code.

(Repealed by electors at an election held March 7, 2000, Charter Chapter 11 of the State Statutes of 2000)

#### Article XVIII. Miscellaneous

Sec. 1800 Definitions.

Unless the provision or the context otherwise requires, as used in the Charter:

- (a) "Shall" is mandatory, and "may" is permissive.
- (b) "City" is the City of Santa Clara and "department," "board," "commission," "agency," or "employee," is a department, board, commission, agency, officer or employee as the case may be, of the City of Santa Clara.
- (c) The masculine and feminine gender include the neuter. (Amended by electors at an election held March 7, 2000, Charter Chapter 11 of the State *Statutes of 2000*)

Sec. 1801 Violations.

The violation of any provision of this Charter shall be deemed a misdemeanor and be punishable upon conviction by a fine of not exceeding one thousand dollars (\$1,000.00) or by imprisonment for a term of not exceeding one year or by both such fine and imprisonment.

Sec. 1802 Validity.

If any provisions of this Charter, or the application thereof to any person or circumstance is held invalid, the remainder of the Charter and the application of such provision to other persons or circumstances, shall not be affected thereby.

Sec. 1803 Effective date.

For the purpose of nominating and electing members of the City Council, this Charter shall take effect from the time of its approval by the legislature. For all other purposes it shall take effect on the Tuesday next succeeding the date of election of the first City Council at 8:00 P.M.

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# CITY OF SANTA CLARA VOTE HISTORY

**Ballot Measures** 

Regarding
Charter Amendments

1952 to Present

## CITY OF SANTA CLARA BALLOT MEASURES PERTAINING TO CHARTER AMENDMENTS 1952 to Present

#### November 4, 1952 (General Election)

#### Measure C: Elect Police Chief and City Clerk

(**Passed**) Yes - 3,538 No - 2,420

"Shall the Charter of the City be amended by adding a new section thereto to provide that the Chief of the Police Department and the City Clerk shall be elected officials instead of appointed officers? Said amendment also provides an election shall be held in 1953 to fill said office, and also in April 1955 and every four years thereafter."

#### June 5, 1956 (Primary Election)

#### Measure A: Public School System

(Passed) Yes - 4,938 No 1,292

"Shall Article XVI and Sections 1600 and 1601 of the Charter of the City of Santa Clara be amended to provide that the organization, government and administration of the public school system, the manner and mode of selection, the powers and duties of the Board of Education and its members shall be set forth in the Constitution, Education Code and applicable general laws of the State of California?"

#### November 4, 1958 (General Election) Charter Amendments

#### Measure A: Change of Fiscal Year

(Passed) Yes - 8,780 No - 2,554

"Shall the Charter of the City of Santa Clara be amended by amending Sections 1300, 1302, 1304 and 1306 thereof and adding Section 1306.5 thereto to provide that the fiscal year of said City shall commence on July 1st of each year and end on June 30th of the following year unless otherwise provided by ordinance; also providing the annual budget shall be submitted at least 35 days before

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the beginning of each fiscal year and as determined by the Council; and that the annual budget shall be adopted on or before June 30th of each year and the tax levy fixed by August 15th of each year and providing for the adoption of an interim budget when a change in fiscal years requires the same?"

#### Measure B: Classified Service

(Passed) Yes - 6,450 No - 4,628

"Shall Section 1101 of the Charter be amended to provide for the division of the Civil Service of the City into the Classified and Unclassified Service and providing how said services shall be comprised and adding a provision that a department of the City may by ordinance be divided into divisions and the heads of such divisions shall be in the Unclassified Service?"

#### Measure C: Supervision by City Engineer

(Passed) Yes - 8,936 No - 2,571

"Shall Section 905 of the Charter of the City of Santa Clara be amended to provide that the City Engineer shall supervise and be responsible for all engineering work of the City, and that the head of the Department of Public Works and Utilities shall supervise and be responsible for the inspection, care, maintenance and repair of various public works and public utilities of said City?"

1965 Section 905.1 position of City Engineer and Section 905.2 Director of Public Works.

#### February 15, 1967

- Prop A Amend Sec. 702 Each Council Member shall receive \$200 p/month and the Mayor an additional \$100 p/month (PASSED ELECTION).
- Prop Al Amend Section 702 to keep compensation of Mayor and Council limited according to standards of other general law cities the size of Santa Clara (FAILED ELECTION).

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- Prop B Amend Section 1320 set aside a separate utilities fund and establish a sinking fund of \$2,500,000 in utilities account (PASSED ELECTION).
- Prop C Amend Section 1004 to delete restriction against reimbursement of Board and Commission members for expenses (PASSED ELECTION). (Ordinance 1157, 2-15-67, Minutes 4-11-67, p. 166).

#### June 4, 1968 (Primary Election) Charter Amendments

#### Measure N: Political Activities

(Failed) Yes - 5,743 No - 12,703

"Shall Section 1106 of the Charter of the City of Santa Clara entitled 'Political Activities Prohibited' be repealed?"

#### Measure 0: City Councilmen

(Failed) Yes - 7,134 No - 12,060

"Shall Section 701 of the Charter of the City of Santa Clara be amended to allow the election of a person to hold office as a member of the City Council no matter the number of consecutive terms he has served, and to provide that no person shall be eligible for appointment to fill a vacancy in the Council until two years after any prior service by him as a member of the City Council?"

#### November 5, 1968 (General Election)

#### Measure D: Elected Mayor

(Passed) Yes - 13,484 No - 12,047

"Shall the Charter of the City of Santa Clara be changed to make the City's Mayor elected from the City at large, to establish the provisions to nominate and elect such officer, to establish the compensation of the elective Mayor at \$1,000 per month, to establish at four years the term of such Mayor and limit to two the number of successive terms such a Mayor might serve, to set forth the political position of the elective Mayor listing his specific duties and powers, to establish

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qualifications for all elective offices of City and to establish a uniform procedure for filling vacancies in all elective offices of City?"

#### November 7, 1972 (General Election)

## Measure B: Eligibility for Candidate for City Offices (Passed) Yes - 17,717 No - 12,054

"Shall the Charter of the City of Santa Clara be changed as follows: to expressly provide that no person shall be eligible to be a candidate for or to take or hold any elective office of the City unless he has resided in the City for the year next preceding the date of his election or appointment to such office; by deleting from the Charter Section 1106 which purports to prohibit certain political activities by persons holding positions in the classified service or on an eligible list; by changing all references in Section 1200 of the Charter from 'State Employees' Retirement Act' and 'State Employees' Retirement System' to 'Public Employees' Retirement Law' and 'Public Employees' Retirement System,' respectively; and by deleting Articles XV and XVI of the Charter which articles contain provisions with reference to Police Court and School Department, respectively?"

#### Measure C: City Clerk; Powers, Duties

(Failed) Yes - 14,057 No - 14,368

"Shall the Charter of the City of Santa Clara be changed as follows: by deleting the provision from Section 903 of the Charter that 'The City Council may, in its discretion, appoint any other officer or employee of the City as City Clerk and grant additional compensation such person for performance of such duties.'; by changing the title from 'Classified Service' Section 1101 'Classified and Unclassified Service', by changing the numbering and sequence of the offices and positions listed as comprising the unclassified service and by deleting the specific reference to City Clerk and Chief of the Police Department from such listing."

#### Measure D: Eligibility of Councilmen and Mayor

(Failed) Yes - 7,525 No - 22,175

"Shall the Charter of the City of Santa Clara be changed by removing the present restrictions on the eligibility of Councilmen, including the Mayor, to serve more than two consecutive elective terms as such, respectively?"

#### Measure E: Sale City Owned Property

(Failed) Yes - 8,510 No - 19,948

"Shall the Charter of the City of Santa Clara be changed as follows: that Section 714 of the Charter shall provide that City owned property up to and include \$2,500 in value may be sold without first publishing notice of intention to sell in an official newspaper once a week for two weeks preceding the date of such sale; that with respect to contracts on public works the formal advertised procurement procedures of Section 1310 of the Charter would be changed to contracts involving an expenditure of more than \$3,500; that all other provisions of the Sections 714 and 1310 shall remain in full force and effect, unchanged?"

#### Measure F: Terms of Elected Candidates

(Passed) Yes - 15,079 No - 12,031

"Shall the Charter of the City of Santa Clara be changed to provide generally that all candidates hereafter elected at any general municipal elections prescribed in the Charter, shall serve for a term of four years, commencing forthwith on completion of the canvass of ballots of such election, and continuing until their respective successors shall have been elected and qualified, with the exception that candidates so elected for other than an unexpired term in such a municipal election held in 1973 and 1975 shall serve for a term commencing on the first Monday in May of such years following each of such elections and ending in the fourth year thereafter on completion of the canvass of ballots of the general municipal election held in such year, and at the time their respective successors have been elected and qualified?"

#### Measure G: Council Seats Numbered

(**Passed**) Yes - 17,650 No - 9,229

"Shall the Charter of the City of Santa Clara be changed by providing for the designation of Council seats, providing a procedure for the election and filling of the separate seats, prohibiting a person from being a candidate for more than one such seat and restricting certain incumbent members of the City Council from being a candidate for any numbered Council seat other than the one which he holds?"

#### Measure H: Compensation of Council Members

(Failed) Yes - 11,949 No - 16,725

"Shall Section 700 of the Charter of the City of Santa Clara be changed to provide that each member of the City Council shall receive as compensation the sum of three hundred dollars (\$300) per month?"

#### April 5, 1977 Election Primary

Proposition A: Change Election Date

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(Passed) YES - 4,614 NO - 4,084

"Shall the Charter of the City of Santa Clara be amended by changing the date of holding the City's general municipal elections?"

Proposition B: City Council Compensation

(Failed) YES - 1,084 NO - 7,712

"Shall Section 702 of the Charter of the City of Santa Clara be amended to provide a \$400 per month compensation for each member of the City Council other than the Mayor, for a \$1,667 per month compensation for the Mayor?"

Proposition C: City Council Medical/Dental Benefits

(Failed) YES - 1,395 NO - 7,292

"Shall the Charter of the City of Santa Clara be changed to provide the same medical and dental benefits for each member of the City Council including the Mayor as is provided from time to time to the holders of the City elective offices of City Clerk and/or Chief of Police?"

Proposition D: City Property Disposition Under \$5,000 Value (Failed) YES -1,416 NO - 6,983

"Shall Section 714 of the Charter of the City of Santa Clara be revised as proposed to provide alternate procedures for the City Council to exercise the City Council's power to lease, sell, or convey City property?"

Proposition 1: Neighborhood Senior Citizen Housing (Advisory Vote Only)

(Passed) YES - 4,787 NO - 3,660

"Shall it be recommended that the City of Santa Clara shall comply with the Housing and Development Act of 1974 and allow to be completed by 1979 within the boundaries of the City of Santa Clara 195 senior citizen housing units where these units will be developed within any geographical area of the City of Santa Clara with an attempt to encourage the distribution of these housing units throughout the City's neighborhoods?"

Proposition 2: High Rise Housing

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#### (Advisory Vote Only

(Failed) YES - 3,820 NO - 4,816

"Shall it be recommended that the City of Santa Clara approve the concept of a federally funded retirement facility with rent supplements in the University Redevelopment Project, which facility would be constructed at no cost to the City, would be a nine-story high-rise of approximately the height of the existing Bank of America Building in Project Area, and which would approximately 176 apartment units, a dining room, leisure time areas, the area of the ground floor for commercial use and adjacent parking, construction of which facility would help satisfy the commitments of the City of Santa Clara to provide housing for lower and middle income elderly?"

#### November 6, 1979 (Special Statewide Election)

#### Proposition D: Amend Election Date

(Passed) Yes - 7,500 No - 495

"Shall the City of Santa Clara's general municipal elections be held on the same dates as the regular election of the Santa Clara Unified School District?"

#### November 4, 1980 (General Election) Charter Amendment

#### Measure N: Utility Tax Transfer

(Passed) Yes - 16,205 No - 10,047

"Shall Section 1320 of the Charter of the City of Santa Clara be amended to delete therefrom the authority of the City to transfer to its General Fund the balance of any monies remaining in excess of the Charter prescribed sinking fund for replacement of utilities property?"

#### November 3, 1981 (Special Election)

Measure E: Revenue Bonds

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(Passed) Yes - 4,792 No - 4,070

"Shall the Charter of the City of Santa Clara be changed to provide that the City may issue revenue bonds, payable solely from the revenues of the electrical works without tax liability, to finance the production, transmission, distribution and non-nuclear generation of electric energy without requiring an election?"

#### Measure F: Council Salaries

(Failed) Yes - 2,459 No - 6,327

"Shall the Charter of the City of Santa Clara be amended to provide a \$400 per month compensation for each member of the City Council other than the Mayor, and for a \$1500 per month compensation for the Mayor?"

#### November 4, 1986 (General Election)

Measure K: Charter Amendment-Council Compensation

(Failed) Yes - 8,239 No - 12,863

"Amends Section 702 of the Santa Clara Charter to provide \$1,000 per month compensation for each member of the City Council other than Mayor, and \$1,800 per month compensation for the Mayor."

#### Measure L: Charter Amendment-Council Compensation

(Failed) Yes - 6,122 No - 14,287

"Amends Section 702 of the Santa Clara Charter, as indicated in the text of the amendment, to provide each member of the City Council with compensation comparable to the maximum compensation authorized by state law for the respective council counterpart in the general law city."

#### June 7, 1994 (Special Municipal Election)

#### Measure B: Chief of Police Appointment.

(Failed) Yes - 4,370 No - 10,079

Amends the Charter of the City of Santa Clara to provide for the appointment of the Chief of Police by the City Manager rather than selection of the Chief of Police by the current election process.

#### March 7, 2000 (Special Municipal Election)

#### Measure H: Charter Amendment - Obsolete Language

(Passed) Yes - 16,047 No - 2,880

Amends the Charter by eliminating obsolete, unnecessary and unclear language, making the Charter gender neutral, making the Charter consistent with current legal requirements, and making minor revisions to make the Charter consistent with modern city charters.

## Measure I: Charter Amendment - Chief of Police Requirements (Passed) Yes - 16,558 No - 2,244

Amends the Charter to require that candidates for the elected office of Chief of Police meet the minimum eligibility and qualification requirements imposed by State law upon candidates for the office of Sheriff.

## Measure J: Charter Amendment - Council and Mayor Compensation (Passed) Yes - 10,791 No - 7,924

Amends the Charter to provide for an increase in City Council Member compensation to \$600 per month with annual increases for the Mayor and City Council members equal to the consumer price index, but not to exceed 5% in any year.

## Measure K: Charter Amendment - Disposal of City-owned Real Property

(Failed) Yes - 6,819 No - 11,907

Amends the Charter to permit the disposal of Cityowned real property of \$50,000 or less in value without publishing in an official newspaper a notice of intention to sell real property.

#### Measure L: Charter Amendment - Award of Public Works Contracts

#### of up to \$50,000 in value

(Failed) Yes - 7,332 No - 11,269

Amends the Charter to permit the award of public works contracts of up to \$50,000 in value, with an annual increase consistent with the consumer price index, without publishing in an official newspaper a notice of intent to award a public works contract, provided that the City Council first establishes by ordinance a competitive bid procedure for such contracts.

#### November 7, 2006 (General Municipal Election)

Measure B: Binding arbitration for certain personnel of the Police and Fire Departments

Shall a section be added to the City Charter which would require binding arbitration before a three person arbitration panel of all unresolved disputes between the City and certain personnel of the Police and Fire Departments on all matters relating to wages, hours, and other terms and conditions of City employment, including the interpretation and application of any existing labor agreements?

(Failed)

Yes - 9,853

No - 12,612

#### November 8, 2016 (Special Municipal Election)

Measure O: Setting of Salaries for Mayor and City Council. Shall Section 702 of the Santa Clara City Charter be amended to set the salaries of the Mayor at \$2500 per month and City Council at \$2000 per

month, and to create a Salary Setting Commission to review and adjust those salaries every two years?

(Passed) Yes - 25,640 No - 10,393

Measure P: Mayor and City Council Term Limits. Shall Sections 701 and 704.1 of the Santa Clara City Charter be amended to limit the Mayor and members of the City Council to no more than two full terms for each office, and to define a partial term in excess of two years as a full term?

(Passed) Yes -29,495 No -6,908

Measure Q: Filling Vacancies in City Elected Offices. Shall Section 703 of the Santa Clara City Charter be

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amended to provide that vacancies in any elective office of the City be filled by a four-fifths (4/5) vote of the City Council and to require that persons appointed to fill vacancies occurring in the first half of a term of office shall hold office until the next general municipal election?

(Passed) Yes - 28,156 No - 6,855

Measure R:

Protection of Parkland and Open Space. Shall Section 714.1 of the Santa Clara City Charter be added to provide that no City owned land used for park or recreational purposes, including the Ulistac Natural Area and the Santa Clara Soccer Park, shall be sold or disposed of by the City without being authorized by a two-thirds (2/3) majority vote and that development upon such property shall be subject to referendum?

(Passed) Yes - 33,552 No - 3,890

#### June 5, 2018 (Special Municipal Election)

Measure A:

DISTRICT COUNCIL ELECTIONS/VOTING METHOD:
Shall the City Charter be amended to establish two districts starting in 2020 to be represented by three Council Members each; and , when available, use ranked choice voting to allow voters to select candidates in order of choice to determine the winners of elections of all city elected officers?

(Failed) Yes - 9,169 No - 10,023

#### November 6, 2018 (Municipal Election)

Measure N:

ADVISORY VOTE: BY DISTRICT COUNCIL ELECTIONS
Shall the City of Santa Clara engage the voters in a public process to draft a Charter Amendment ballot measure to elect its Council Members, other than the Mayor, by district?

(Passed) Yes - 21,902 No - 9,208

#### March 3, 2020 (Special Municipal Election)

Measure C:

DISTRICT COUNCIL ELECTIONS:

Shall the City Charter be amended to elect City Council Members by district, excepting the Mayor, as follows: for the 2020 election to establish six districts for the election of one Council Member to represent each district; and, beginning in 2022 to establish three districts for the election of two Council members to represent each district; and to require an independent redistricting committee? (Failed) Yes -9,731No - 15,458

#### June 7, 2022 (Special Election)

Measure D:

DISTRICT COUNCIL ELECTIONS:

Shall the City Charter be amended to elect city council members by district, excepting the mayor, to establish six districts for the election of one council member to represent each district; and to establish a 30-day residency requirement for all elected officials?

(Passed)

Yes - 14,172 No - 3,835

#### November 8, 2022 (Municipal Election)

Measure G:

CITY OF SANTA CLARA NO TAX INCREASE/SERVICES PROTECTION MEASURE:

To protect essential services without raising taxes, such as 9-1-1 response; police patrols, fire protection; street/storm drain repair, maintaining reliable local utility service; shall Section 1320 of the Charter continuing the annual budget transfer of funds from City utilities to the general fund at 5% of gross receipts until ended by generating approximately \$30,000,000 voters, annually, with independent audits, all funds local, be reaffirmed/adopted?

(Passed)

Yes - 24,643

No - 4,629

#### March 5, 2024 (Special Election)

Measure A:

PROPOSES TO AMEND THE CITY CHARTER TO CHANGE THE POSITIOON OF CITY CLERK FROM A POSITION ELECTED EVERY FOUR YEARS TO A POSITION APPOINTED BY THE CITY MANAGER, SIMILAR TO OTHER CITY DEPARTMENT HEADS

Shall an amendment to the City Charter providing that the City Clerk position be appointed by the City Manager be adopted?

(Failed)

Yes - 6,580 No - 13,735

#### March 5, 2024 (Special Election)

Measure B:

PROPOSES TO AMEND THE CITY CHARTER TO CHANGE THE POSITIOON OF CHIEF OF POLICE FROM A POSITION ELECTED EVERY FOUR YEARS TO A POSITION APPOINTED THE CITY MANAGER, SIMILAR TO OTHER CITY DEPARTMENT HEADS

Shall an amendment to the City Charter providing that the Chief of Police position be appointed by the City Manager be adopted?

(Failed)

Yes - 5,680

No - 14,887