

**CITY OF PALO ALTO CONTRACT NO. C24187236**

**AGREEMENT FOR PROFESSIONAL SERVICES**

**BETWEEN THE CITY OF PALO ALTO AND WALLACE ROBERTS & TODD, LLC**

This Agreement for Professional Services (this “Agreement”) is entered into as of the 26th day of January, 2024 (the “Effective Date”), by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and WALLACE ROBERTS & TODD, LLC a Pennsylvania corporation, located at 260 S. Board Street, Philadelphia, PA 19102 (“CONSULTANT”).

The following recitals are a substantive portion of this Agreement and are fully incorporated herein by this reference:

**RECITALS**

A. CITY intends to create a Downtown Housing Plan (the “Project”) and desires to engage a consultant to provide project management and coordination, community outreach and engagement, community assessment and policy development, and document development in connection with the Project (the “Services”, as detailed more fully in Exhibit A).

B. CONSULTANT represents that it, its employees and subconsultants, if any, possess the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.

C. CITY, in reliance on these representations, desires to engage CONSULTANT to provide the Services as more fully described in Exhibit A, entitled “SCOPE OF SERVICES”.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree as follows:

**SECTION 1. SCOPE OF SERVICES.** CONSULTANT shall perform the Services described in Exhibit A in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

CITY will issue a Task Order assigned and approved by CITY’s Project Manager, as identified in Section 13 (Project Management). Each Task Order shall be in the same form as Exhibit A-1 entitled “PROFESSIONAL SERVICES TASK ORDER”. Each Task Order shall contain a specific scope of services, schedule of performance and maximum compensation amount, in accordance with the provisions of this Agreement.

To accept a Task Order, CONSULTANT shall sign the Task Order and return it to CITY’s Project Manager within the time specified by the Project Manager, and upon authorization by CITY (defined as counter-signature by the CITY Project Manager), the fully executed Task Order shall become part of this Agreement. The cumulative total compensation due to CONSULTANT for all Task Orders issued under this Agreement shall not exceed the amount of compensation set forth

in Section 4. CONSULTANT shall only be compensated for on-call Services performed under an authorized Task Order and only up to the maximum compensation amount set forth in Section 4. Performance of and payment for any on-call Services are subject to all requirements and restrictions in this Agreement.

## **SECTION 2. TERM.**

The term of this Agreement shall be from the date of its full execution through December 31, 2026, unless terminated earlier pursuant to Section 19 (Termination) of this Agreement.

**SECTION 3. SCHEDULE OF PERFORMANCE.** Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit B, entitled "SCHEDULE OF PERFORMANCE". Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT. SUBCONSULTANT shall not be responsible for any delays in the project resulting from circumstances beyond the SUBCONSULTANT's reasonable control nor shall SUBCONSULTANT be deemed to be in default of this Agreement for same.

**SECTION 4. NOT TO EXCEED COMPENSATION.** The compensation to be paid to CONSULTANT for performance of the Services shall be based on the compensation structure detailed in Exhibit C, entitled "COMPENSATION," including any reimbursable expenses specified therein, and the maximum total compensation shall not exceed **One Million Three Hundred Seventy One Thousand and One Hundred Forty Dollars (\$1,371,140)**. The hourly schedule of rates, if applicable, is set out in Exhibit C-1, entitled "SCHEDULE OF RATES." Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 4 shall be at no cost to the CITY.

☒ **Optional Additional Services Provision** (This provision applies only if checked and a not-to-exceed compensation amount for Additional Services is allocated below under this Section 4.)

In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of **One Hundred Thirty-Seven Thousand and One Hundred Fourteen Dollars (\$137,114)** for the performance of Additional Services (as defined below). The total compensation for performance of the Services, Additional Services and any reimbursable expenses specified in Exhibit C, shall not exceed **One Million Five Hundred Eight Thousand and Two Hundred Fifty-Four Dollars (\$1,508,254)**, as detailed in Exhibit C.

"Additional Services" means any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit A. CITY may elect to, but is not required to, authorize Additional Services up to the maximum amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall provide Additional Services only by advanced, written authorization from CITY as detailed in this Section. Additional Services, if any,

shall be authorized by CITY with a Task Order assigned and authorized by CITY's Project Manager, as identified in Section 13 (Project Management). Each Task Order shall be in substantially the same form as Exhibit A-1, entitled "PROFESSIONAL SERVICES TASK ORDER". Each Task Order shall contain a specific scope of services, schedule of performance and maximum compensation amount, in accordance with the provisions of this Agreement. Compensation for Additional Services shall be specified by CITY in the Task Order, based on whichever is lowest: the compensation structure set forth in Exhibit C, the hourly rates set forth in Exhibit C-1, or a negotiated lump sum.

To accept a Task Order, CONSULTANT shall sign the Task Order and return it to CITY's Project Manager within the time specified by the Project Manager, and upon authorization by CITY (defined as counter-signature by the CITY Project Manager), the fully executed Task Order shall become part of this Agreement. The cumulative total compensation to CONSULTANT for all Task Orders authorized under this Agreement shall not exceed the amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall only be compensated for Additional Services performed under an authorized Task Order and only up to the maximum amount of compensation set forth for Additional Services in this Section 4. Performance of and payment for any Additional Services are subject to all requirements and restrictions in this Agreement

**SECTION 5. INVOICES.** In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the Services performed and the applicable charges (including, if applicable, an identification of personnel who performed the Services, hours worked, hourly rates, and reimbursable expenses), based upon Exhibit C or, as applicable, CONSULTANT's schedule of rates set forth in Exhibit C-1. If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's invoices shall be subject to verification by CITY. CONSULTANT shall send all invoices to CITY's Project Manager at the address specified in Section 13 (Project Management) below. CITY will generally process and pay invoices within thirty (30) days of receipt of an acceptable invoice. All invoices shall be submitted to the Planning Department's contract email account at [PCEContracts@cityofpaloalto.org](mailto:PCEContracts@cityofpaloalto.org) to ensure timely payment.

**SECTION 6. QUALIFICATIONS/STANDARD OF CARE.** All Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it, its employees and subcontractors, if any, possess the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subcontractors, if any, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services. All Services to be furnished by CONSULTANT under this Agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

**SECTION 7. COMPLIANCE WITH LAWS.** CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to

perform Services under this Agreement, as amended from time to time. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

**SECTION 8. ERRORS/OMISSIONS.** CONSULTANT is solely responsible for costs, including, but not limited to, increases in the cost of Services, arising from or caused by CONSULTANT's errors and omissions, including, but not limited to, the costs of corrections such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

**SECTION 9. COST ESTIMATES.** If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds the CITY's stated construction budget by ten percent (10%) or more, CONSULTANT shall make recommendations to CITY for aligning the Project design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

**SECTION 10. INDEPENDENT CONTRACTOR.** CONSULTANT acknowledges and agrees that CONSULTANT and any agent or employee of CONSULTANT will act as and shall be deemed at all times to be an independent contractor and shall be wholly responsible for the manner in which CONSULTANT performs the Services requested by CITY under this Agreement. CONSULTANT and any agent or employee of CONSULTANT will not have employee status with CITY, nor be entitled to participate in any plans, arrangements, or distributions by CITY pertaining to or in connection with any retirement, health or other benefits that CITY may offer its employees. CONSULTANT will be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, workers' compensation, unemployment compensation, insurance, and other similar responsibilities related to CONSULTANT's performance of the Services, or any agent or employee of CONSULTANT providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between CITY and CONSULTANT or any agent or employee of CONSULTANT. Any terms in this Agreement referring to direction from CITY shall be construed as providing for direction as to policy and the result of CONSULTANT's provision of the Services only, and not as to the means by which such a result is obtained.

**SECTION 11. ASSIGNMENT.** The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written approval of the City Manager. Any purported assignment made without the prior written approval of the City Manager will be void and without effect. Subject to the foregoing, the covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators and assignees of the parties.

**SECTION 12. SUBCONTRACTING.**

**Subcontracts Authorized:** Notwithstanding Section 11 (Assignment) above, CITY agrees that new (not listed) subcontractors may be used to complete the Services only with prior approval,

documented in writing, including scope of services, cost, and duration. The use of new subconsultant cannot increase compensation as noted in Section 4. The subcontractors authorized by CITY to perform work on this Project, at the beginning of this Agreement are: Consensus Building Institute, Strategic Economics, CSW | ST2, and David J Powers & Associates.

CONSULTANT shall be responsible for directing the work of any subcontractors and for any compensation due to subcontractors. CITY assumes no responsibility whatsoever concerning compensation of subcontractors. CONSULTANT shall be fully responsible to CITY for all acts and omissions of subcontractors. CONSULTANT shall change or add subcontractors only with the prior written approval of the City Manager or designee.

**SECTION 13. PROJECT MANAGEMENT.** CONSULTANT will assign Poonam Narkar, Telephone: 415-363-0438, Email: pnarkar@wrtdesign.com as the CONSULTANT's Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and represent CONSULTANT during the day-to-day performance of the Services. If circumstances cause the substitution of the CONSULTANT's Project Manager or any other of CONSULTANT's key personnel for any reason, the appointment of a substitute Project Manager and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's Project Manager. CONSULTANT, at CITY's request, shall promptly remove CONSULTANT personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Services or a threat to the safety of persons or property.

CITY's Project Manager is Coleman Frick, Planning and Development Services Department, 250 Hamilton Ave. Palo Alto, CA, 94301 Telephone: 650-838-2821, Email: coleman.frick@cityofpaloalto.org. CITY's Project Manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. CITY may designate an alternate Project Manager from time to time.

**SECTION 14. OWNERSHIP OF MATERIALS.** All work product, including without limitation, all writings, drawings, studies, sketches, photographs, plans, reports, specifications, computations, models, recordings, data, documents, and other materials and copyright interests developed under this Agreement, in any form or media, shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work product pursuant to this Agreement are vested in CITY, and CONSULTANT hereby waives and relinquishes all claims to copyright or other intellectual property rights in favor of CITY. Neither CONSULTANT nor its subcontractors, if any, shall make any of such work product available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Services.

**SECTION 15. AUDITS.** CONSULTANT agrees to permit CITY and its authorized representatives to audit, at any reasonable time during the term of this Agreement and for four (4) years from the date of final payment, CONSULTANT's records pertaining to matters covered by this Agreement, including without limitation records demonstrating compliance with the requirements of Section 10 (Independent Contractor). CONSULTANT further agrees to maintain

and retain accurate books and records in accordance with generally accepted accounting principles for at least four (4) years after the expiration or earlier termination of this Agreement or the completion of any audit hereunder, whichever is later.

## **SECTION 16. INDEMNITY.**

16.1. To the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorney's fees, experts fees, court costs and disbursements ("Claims") resulting from, arising out of or in any manner related to performance or nonperformance by CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from a Claim arising from the active negligence or willful misconduct of an Indemnified Party that is not contributed to by any act of, or by any omission to perform a duty imposed by law or agreement by, CONSULTANT, its officers, employees, agents or contractors under this Agreement.

16.3. The acceptance of CONSULTANT's Services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

**SECTION 17. WAIVERS.** No waiver of a condition or nonperformance of an obligation under this Agreement is effective unless it is in writing in accordance with Section 29.4 of this Agreement. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated. No single or partial exercise of any right or remedy will preclude any other or further exercise of any right or remedy.

## **SECTION 18. INSURANCE.**

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit D, entitled "INSURANCE REQUIREMENTS". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A-:VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY

concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification. If the insurer cancels or modifies the insurance and provides less than thirty (30) days' notice to CONSULTANT, CONSULTANT shall provide the Purchasing Manager written notice of the cancellation or modification within two (2) business days of the CONSULTANT's receipt of such notice. CONSULTANT shall be responsible for ensuring that current certificates evidencing the insurance are provided to CITY's Chief Procurement Officer during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

## **SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.**

19.1. The City Manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. If CONSULTANT fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided under this Agreement or at law, the City Manager may terminate this Agreement sooner upon written notice of termination. Upon receipt of any notice of suspension or termination, CONSULTANT will discontinue its performance of the Services on the effective date in the notice of suspension or termination.

19.2. In event of suspension or termination, CONSULTANT will deliver to the City Manager on or before the effective date in the notice of suspension or termination, any and all work product, as detailed in Section 14 (Ownership of Materials), whether or not completed, prepared by CONSULTANT or its contractors, if any, in the performance of this Agreement. Such work product is the property of CITY, as detailed in Section 14 (Ownership of Materials).

19.3. In event of suspension or termination, CONSULTANT will be paid for the Services rendered and work products delivered to CITY in accordance with the Scope of Services up to the effective date in the notice of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's Services provided in material conformity with this Agreement as such determination is made by the City Manager acting in the reasonable exercise of his/her discretion. The following Sections will survive any expiration or termination of this Agreement: 14, 15, 16, 17, 19.2, 19.3, 19.4, 20, 25, 27, 28, 29 and 30.

19.4. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement, unless made in accordance with Section 17 (Waivers).

## **SECTION 20. NOTICES.**

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY:                      Office of the City Clerk  
                                    City of Palo Alto  
                                    Post Office Box 10250  
                                    Palo Alto, CA 94303

With a copy to the Purchasing Manager

To CONSULTANT: Attention of the Project Manager at the address of  
CONSULTANT recited on the first page of this Agreement.

CONSULTANT shall provide written notice to CITY of any change of address.

## **SECTION 21. CONFLICT OF INTEREST.**

21.1. In executing this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subcontractors or other persons or parties having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California, as amended from time to time. CONSULTANT agrees to notify CITY if any conflict arises.

21.3. If the CONSULTANT meets the definition of a "Consultant" as defined by the Regulations of the Fair Political Practices Commission, CONSULTANT will file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act of 1974, as amended from time to time.

## **SECTION 22. NONDISCRIMINATION; COMPLIANCE WITH ADA.**

22.1. As set forth in Palo Alto Municipal Code Section 2.30.510, as amended from time to time, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person due to that person's race, skin color, gender, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, pregnancy, genetic information or condition, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.



22.2. CONSULTANT understands and agrees that pursuant to the Americans Disabilities Act (“ADA”), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor or subcontractor, are required to be accessible to the disabled public. CONSULTANT will provide the Services specified in this Agreement in a manner that complies with the ADA and any other applicable federal, state and local disability rights laws and regulations, as amended from time to time. CONSULTANT will not discriminate against persons with disabilities in the provision of services, benefits or activities provided under this Agreement.

**SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS.** CONSULTANT shall comply with the CITY’s Environmentally Preferred Purchasing policies which are available at CITY’s Purchasing Department, hereby incorporated by reference and as amended from time to time. CONSULTANT shall comply with waste reduction, reuse, recycling and disposal requirements of CITY’s Zero Waste Program. Zero Waste best practices include, first, minimizing and reducing waste; second, reusing waste; and, third, recycling or composting waste. In particular, CONSULTANT shall comply with the following Zero Waste requirements:

(a) All printed materials provided by CONSULTANT to CITY generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by CITY’s Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable-based inks.

(b) Goods purchased by CONSULTANT on behalf of CITY shall be purchased in accordance with CITY’s Environmental Purchasing Policy including but not limited to Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Department’s office.

(c) Reusable/returnable pallets shall be taken back by CONSULTANT, at no additional cost to CITY, for reuse or recycling. CONSULTANT shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

**SECTION 24. COMPLIANCE WITH PALO ALTO MINIMUM WAGE ORDINANCE.** CONSULTANT shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City, CONSULTANT shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code Section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONSULTANT shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code Section 4.62.060.

**SECTION 25. NON-APPROPRIATION.** This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code, as amended from time to time. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section shall take precedence in the event of a conflict

with any other covenant, term, condition, or provision of this Agreement.

## **SECTION 26. PREVAILING WAGES AND DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS.**

26.1. **This Project is not subject to prevailing wages and related requirements.** CONSULTANT is not required to pay prevailing wages and meet related requirements under the California Labor Code and California Code of Regulations in the performance and implementation of the Project if the contract:

- (1) is not a public works contract;
- (2) is for a public works construction project of \$25,000 or less, per California Labor Code Sections 1782(d)(1), 1725.5(f) and 1773.3(j); or
- (3) is for a public works alteration, demolition, repair, or maintenance project of \$15,000 or less, per California Labor Code Sections 1782(d)(1), 1725.5(f) and 1773.3(j).

**SECTION 27. CLAIMS PROCEDURE FOR “9204 PUBLIC WORKS PROJECTS”.** For purposes of this Section 27, a “9204 Public Works Project” means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind. (Cal. Pub. Cont. Code § 9204.) Per California Public Contract Code Section 9204, for Public Works Projects, certain claims procedures shall apply, as set forth in Exhibit F, entitled “Claims for Public Contract Code Section 9204 Public Works Projects”.



**This Project is not a 9204 Public Works Project.**

## **SECTION 28. CONFIDENTIAL INFORMATION.**

28.1. In the performance of this Agreement, CONSULTANT may have access to CITY’s Confidential Information (defined below). CONSULTANT will hold Confidential Information in strict confidence, not disclose it to any third party, and will use it only for the performance of its obligations to CITY under this Agreement and for no other purpose. CONSULTANT will maintain reasonable and appropriate administrative, technical and physical safeguards to ensure the security, confidentiality and integrity of the Confidential Information. Notwithstanding the foregoing, CONSULTANT may disclose Confidential Information to its employees, agents and subcontractors, if any, to the extent they have a need to know in order to perform CONSULTANT’s obligations to CITY under this Agreement and for no other purpose, provided that the CONSULTANT informs them of, and requires them to follow, the confidentiality and security obligations of this Agreement.

28.2. “Confidential Information” means all data, information (including without limitation “Personal Information” about a California resident as defined in Civil Code Section 1798 et seq., as amended from time to time) and materials, in any form or media, tangible or intangible, provided or otherwise made available to CONSULTANT by CITY, directly or indirectly, pursuant to this Agreement. Confidential Information excludes information that CONSULTANT can show by appropriate documentation: (i) was publicly known at the time it was provided or has subsequently become publicly known other than by a breach of this Agreement; (ii) was rightfully in CONSULTANT’s possession free of any obligation of

confidence prior to receipt of Confidential Information; (iii) is rightfully obtained by CONSULTANT from a third party without breach of any confidentiality obligation; (iv) is independently developed by employees of CONSULTANT without any use of or access to the Confidential Information; or (v) CONSULTANT has written consent to disclose signed by an authorized representative of CITY.

28.3. Notwithstanding the foregoing, CONSULTANT may disclose Confidential Information to the extent required by order of a court of competent jurisdiction or governmental body, provided that CONSULTANT will notify CITY in writing of such order immediately upon receipt and prior to any such disclosure (unless CONSULTANT is prohibited by law from doing so), to give CITY an opportunity to oppose or otherwise respond to such order.

28.4. CONSULTANT will notify City promptly upon learning of any breach in the security of its systems or unauthorized disclosure of, or access to, Confidential Information in its possession or control, and if such Confidential Information consists of Personal Information, CONSULTANT will provide information to CITY sufficient to meet the notice requirements of Civil Code Section 1798 et seq., as applicable, as amended from time to time.

28.5. Prior to or upon termination or expiration of this Agreement, CONSULTANT will honor any request from the CITY to return or securely destroy all copies of Confidential Information. All Confidential Information is and will remain the property of the CITY and nothing contained in this Agreement grants or confers any rights to such Confidential Information on CONSULTANT.

28.6. If selected in Section 30 (Exhibits), this Agreement is also subject to the terms and conditions of the Information Privacy Policy and Cybersecurity Terms and Conditions.

## **SECTION 29. MISCELLANEOUS PROVISIONS.**

29.1. This Agreement will be governed by California law, without regard to its conflict of law provisions.

29.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

29.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

29.4. This Agreement, including all exhibits, constitutes the entire and integrated agreement between the parties with respect to the subject matter of this Agreement, and supersedes all prior agreements, negotiations, representations, statements and undertakings, either oral or written. This Agreement may be amended only by a written instrument, which is signed by the authorized representatives of the parties and approved as required under Palo Alto Municipal Code, as amended from time to time.

29.5. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the unaffected provisions of this Agreement will remain in full force and effect.

29.6. In the event of a conflict between the terms of this Agreement and the exhibits hereto (per Section 30) or CONSULTANT's proposal (if any), the Agreement shall control. In the event of a conflict between the exhibits hereto and CONSULTANT's proposal (if any), the exhibits shall control.

29.7. The provisions of all checked boxes in this Agreement shall apply to this Agreement; the provisions of any unchecked boxes shall not apply to this Agreement.

29.8. All section headings contained in this Agreement are for convenience and reference only and are not intended to define or limit the scope of any provision of this Agreement.

29.9. This Agreement may be signed in multiple counterparts, which, when executed by the authorized representatives of the parties, shall together constitute a single binding agreement.

29.10 SUBCONSULTANT shall not be responsible for delays caused by factors beyond its reasonable control, including but not limited to delays because of strikes, lockouts, work slowdowns or stoppages, government ordered industry shutdowns, power or server outages, acts of nature, widespread infectious disease outbreak (including, but not limited to epidemics and pandemics), failure of any governmental or other regulatory authority to act in a timely manner, failure of CONSULTANT or the CITY to furnish timely information or approve or disapprove of SUBCONSULTANT's services or work product, or delays caused by the faulty performance of CONSULTANT or the CITY or by SUBCONSULTANT of any level. When such delays beyond SUBCONSULTANT's reasonable control occur, CITY agrees that SUBCONSULTANT shall not be responsible for damages, nor shall SUBCONSULTANT be deemed in default of this Agreement.

**SECTION 30. EXHIBITS.** Each of the following exhibits, if the check box for such exhibit is selected below, is hereby attached and incorporated into this Agreement by reference as though fully set forth herein:

- ☒ EXHIBIT A: SCOPE OF SERVICES
- ☒ EXHIBIT A-1 PROFESSIONAL SERVICES TASK ORDER
- ☒ EXHIBIT B: SCHEDULE OF PERFORMANCE
- ☒ EXHIBIT C: COMPENSATION
- ☒ EXHIBIT C-1: SCHEDULE OF RATES
- ☒ EXHIBIT D: INSURANCE REQUIREMENTS

***THIS AGREEMENT IS NOT COMPLETE UNLESS ALL SELECTED EXHIBITS ARE ATTACHED.***

**CONTRACT No. SXXXXXX SIGNATURE PAGE**

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement as of the date first above written.

**CITY OF PALO ALTO**

\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney or designee

**CONSULTANT  
WALLACE ROBERTS & TODD, LLC**

**Officer 1**

By:

Name: James K. Stickley

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## **EXHIBIT A SCOPE OF SERVICES**

CONSULTANT shall provide the Services detailed in this Exhibit A, entitled “SCOPE OF SERVICES”.

### **TASK 1 – PROJECT MANAGEMENT AND COORDINATION**

This task outlines the primary project management and coordination tasks necessary for the Downtown Housing Plan. CONSULTANT will be the main point of contact and provide project management and day-to-day coordination throughout the Downtown Housing Plan preparation process.

#### **Task 1.1 – CITY Inter-Departmental Coordination including a weekly check-in meeting.**

CONSULTANT will facilitate a kick-off meeting with CITY staff and CONSULTANT team to finalize work scope and project schedule. The kick-off meeting will include a discussion of project goals, key challenges, data needs, and project protocols. The kick-off meeting will include a walk audit of the project area with CITY staff and the CONSULTANT team to conduct a visual survey and photo documentation of the site and to understand assets, issues, and challenges of the project area.

CONSULTANT will work with the CITY’s project manager to schedule weekly check-in meetings with CITY staff and key personnel for on-going coordination and provide regular project updates review project status, milestones and project needs and concerns. The weekly check-in meetings will be scheduled to be one hour long.

CONSULTANT will work closely with relevant CITY departments such as Planning, Economic Development, Transportation, and Public Works to ensure that issues are well understood, and recommendations are vetted before presenting to the Technical Advisory Committee, Community Working Group, or the public.

#### **Task 1.1 Deliverable:**

- Prepare memos for CITY Inter-Departmental Coordination, as necessary.
- Scheduling and facilitation of virtual weekly check-in meetings (assuming a 30-month schedule)
- Agendas for weekly check-in meetings.
- Have key personnel attend weekly check-in meetings.
- Kick-off meeting facilitation, meeting materials, and meeting notes.

#### **Task 1.2 – Communications, Website, and Media Coordination (social media, etc.)**

In accordance with CITY procedures, the project will use the CITY’s website. CONSULTANT will coordinate with the CITY’s Office of Communications to establish communications protocol for the project, finalize project branding at the onset, review messaging and public information about the project before rolling out to the public, and working on a communications plan for outreach and publicity of community engagement activities through the CITY’s media

channels.

#### Task 1.2 Deliverable:

- Coordination with CITY's Office of Communications.
- Prepare memos and materials for Communications.
- Project Communication Plan
- Media Coordination with City Manager's Office for social media tools.

### **Task 1.3 – Project Set-up and Administration**

CONSULTANT will set-up project protocols regarding communication, file sharing, invoicing, etc. to share with the CONSULTANT team and CITY staff. CONSULTANT will develop a list of requested project data to be provided by CITY Staff, including relevant plans, reports, and GIS data. CONSULTANT will create and maintain a shared project drive (Microsoft SharePoint) for use throughout the duration of the planning process, where team members may easily upload data and share information. CONSULTANT will set up base maps, document templates and a repository of relevant background information for team use. CONSULTANT will provide monthly invoices following templates and protocols provided by staff.

#### Task 1.3 Deliverable:

- SUBCONSULTANT coordination and management of deliverables, invoicing, and project administration.
- Project protocols, and file-sharing platform.

## **TASK 2 – COMMUNITY OUTREACH AND ENGAGEMENT**

This task outlines the primary community outreach and engagement for the Downtown Housing Plan. These activities will be active throughout the Downtown Housing Plan preparation process. CONSULTANT understands the importance of engaging stakeholders and the community early in the process and maintaining on-going transparent communication to provide project updates and gather feedback. CONSULTANT is committed to meaningful equitable engagement and bring expertise with a wide array of methods, both digital and in-person. CONSULTANT will partner with SUBCONSULTANT Consensus Building Institute (CBI) which brings extensive experience in facilitating complex conversations around land use policy, and outreach techniques to ensure representation of diverse interest groups and stakeholders. While CONSULTANT will remain the overall lead of the Outreach and Engagement task, SUBCONSULTANT CBI will lead the charge of stakeholder assessment, facilitating Community Working Group meetings, and will provide strategic facilitation at other meetings and engagement activities.

### **Task 2.1 – Community Outreach and Engagement Strategy Development**

This task encompasses CITY staff and CONSULTANT preparation of the Downtown Housing Plan community outreach and engagement strategy. Throughout the Downtown Housing Plan process, it is central to gather meaningful input from a full range of stakeholders within and nearby to the planning area, including residents of all incomes, races and ethnic backgrounds, employees of local businesses, community- and faith-based organizations, and public agencies providing services in the area. This task will include laying out the specific engagement

meetings, outreach channels, and methods listed in tasks 2.2 through 2.5. Equity assessment information from the Housing Element process will inform the Community Outreach and Engagement Strategy.

CONSULTANT and SUBCONSULTANT CBI will collaborate with CITY staff to prepare a Community Outreach and Engagement Strategy. The outreach and engagement strategy will describe the goals, objectives, and approach to community outreach and engagement. It will further describe the methods and approach to convening the Community Working Group (Task 2.2), its composition and purpose. The strategy will describe the purpose, goals, and topics for target outreach to hard-to-reach groups, community workshops and charrettes. It will further define the communication tools and media strategy, including on-line, digital engagement. Finally, it will outline a schedule of community engagement activities. The final outreach and engagement strategy will be informed by assessment findings and recommendations as described in Task 2.4. and will ensure that it meets the needs of tasks 3.2.1 through 3.2.4.

#### Task 2.1 Deliverable:

- Prepare Draft and Final Outreach and Engagement Strategy

#### **Task 2.2 - Community Working Group Meetings (up to six meetings)**

This task encompasses convening of a Community Working Group that will shape the Downtown Housing Plan and review draft plan materials at key milestones in the process. CITY staff plans to hold three (3) to six (6) Working Group meetings during the planning process. CITY staff anticipate the CITY will solicit applications and the City Council will select a group that is representative of residents, housing developers, local businesses, community-based organizations, service providers, and other stakeholders. The Community Working Group will review and provide feedback on milestone draft plan materials. These meetings are anticipated to be 2 to 3 hours in length.

The stakeholder assessment is an important vehicle to conducting outreach to diverse stakeholders and to engage them in the project. SUBCONSULTANT CBI will lead this task and will work with City staff to prepare an initial list of stakeholders to reach. Through interviews and survey distribution, stakeholders will learn about the opportunity to submit an application for participation in the Community Working Group. To support diverse participation of representative stakeholders, the CONSULTANT and SUBCONSULTANT CBI team will work with the Technical Advisory Group to remove any barriers to participation, including considerations of the location, timing, and potential need for stipends for participation, particularly for key stakeholders that have historically been underrepresented in planning efforts. Upon receipt of applications and selection of committee members, the planning team will work closely with the Technical Advisory Group to craft an invitation letter to selected working group members. Initial meeting with the Community Working Group will focus on:

- Clarifying purpose and charge of the Community Working Group
- Confirming working group guidelines
- Reviewing draft project schedule
- Reviewing and providing feedback on outreach and engagement strategy



Overall, the role of the Community Working Group is to review and provide input on draft plan materials and to ultimately shape the Downtown Housing Plan throughout the process.

#### Task 2.2 Deliverables:

- Meeting agendas, memos, and associated materials relevant to the meeting,
- Presentations, meeting summary briefs
- Facilitation of up to six Community Working Group Meetings (2 to 3 hours each meeting)

#### **Task 2.3 - Technical Advisory Group Meetings (up to 6 meetings)**

This task encompasses convening of a technical advisory group that will shape the Downtown Housing Plan. The Technical Advisory Group will provide detailed technical input throughout the Downtown Housing Plan process and help ensure alignment between this plan and other local and regional planning efforts. The composition would include staff from key CITY departments, the ABAG/MTC grant manager, as well as representatives of local, county, and regional agencies, and service providers. The Technical Advisory Group will review and provide feedback on key milestone draft plan materials. These meetings are anticipated to be 2-3 hours in length.

The CONSULTANT team will work with the Technical Advisory Group, formed by CITY staff, at key milestones during the project to gather input and inform the Downtown Housing Plan. Since the Technical Advisory Group and the Community Working Group, both will be engaged at the same project milestones for review and feedback on materials, there can be efficiencies in conducting some joint sessions. This will be particularly effective as we envision conducting expert-led discussions on specific topics to build a common understanding of the issues, key concepts, and best practices. We will conduct up to 4 topical discussions which may include any of the following topics.

- State Housing Laws, Housing Affordability and Equity
- Scale of Infill and Community Character
- Parking & Mobility
- Downtown Vibrancy and Future of Downtowns Post Pandemic
- Climate Adaptation

The topics will be finalized in collaboration with City staff, the Technical Advisory Group and the Community Working Group. CONSULTANT will invite regional and national experts to speak on pertinent topics. CONSULTANT or City staff organize the discussions as webinars, which will be uploaded on the project website as an informational resource for the broader community.

#### Task 2.3 Deliverables:

- Meeting agendas, memos, and associated materials relevant to the meeting, presentation materials, meeting summary notes.
- Attend and facilitate up to six Technical Advisory Group Meetings (2 to 3 hours each meeting)
- Up to 4 webinars – organization, facilitation, and recording.

## Task 2.4 – Stakeholder Interviews and Stakeholder Surveys

Direct outreach through stakeholder interviews and stakeholder surveys to receive information for and feedback on the deliverables from Task 3.2 Key Community Assessment and Policy Development Focus Areas.

SUBCONSULTANT CBI and CONSULTANT will partner to conduct a stakeholder assessment by interviewing a representative set of stakeholders to identify key issues and common themes to inform the planning process and the composition of the Community Working Group. This task includes the following steps to prepare for, conduct, and document the outcomes of stakeholder interviews:

- The CONSULTANT team will work with the Technical Advisory Group to develop and hone a list of representative stakeholders that address the range of interests related to the project. It will be important to identify stakeholders within the community and those who represent the commuter workforce.
- Stakeholder questionnaire and survey: SUBCONSULTANT CBI will prepare a standard interview questionnaire and survey to ensure continuity in the topics discussed and the ability to qualitatively analyze responses. SUBCONSULTANT CBI will provide a draft interview questionnaire and survey to CONSULTANT and staff, and prepare a final document based on refinements.
- Gather background information: In preparation for interviews, SUBCONSULTANT CBI will gather and review background materials that pertain directly to the project and the specific interests of key stakeholders.
- Conduct interviews with key stakeholders (up to 20 interviews): SUBCONSULTANT CBI will collaborate with CONSULTANT, other team members, and staff to develop an interview invitation letter introducing prospective participants to the project and the planning team and describing the purpose of the interviews. SUBCONSULTANT CBI will schedule and conduct interviews. Interviews will take place via Zoom or in person with individuals or small groups, as deemed appropriate and cost effective.
- Distribute survey to broader community: SUBCONSULTANT CBI will adapt the interview questionnaire into an on-line survey and distribute to interested parties and the broader community using communications methods identified in consultation with staff, CWG and TAG.
- Synthesis of interview and survey data: Following completion of the interviews and survey, SUBCONSULTANT CBI will prepare a draft synthesis brief with an accompanying PowerPoint Presentation that will be vetted with the TAG and presented to the Community Working Group. The report will distill key issues and concerns, goals, and objectives for the project as well as recommendations for how to proceed with the process.

### Task 2.4 Deliverable:

- Interview questionnaire
- Scheduling and conducting stakeholder interviews.
- Develop and conduct surveys.

- Analysis and Synthesis of Interview and Survey Data into a draft and final assessment brief and PowerPoint Presentation.

### **Task 2.5 - Community Workshops, Design Charettes, and Digital Engagement (at least 3 meetings)**

This task includes direct outreach through both in-person and virtual workshops, charettes, and other meetings to receive information for and feedback on the deliverables from Task 3.2 Key Community Assessment and Policy Development Focus Areas. Key topics will include housing, mobility, advancing racial and economic equity, design preferences, and other topics.

CONSULTANT will design an engagement format that includes a combination of in-person workshops and virtual engagement activities to ensure greater participation across the community. We envision the following sequence of workshops at key milestones in the project:

- Engagement Event #1: Issues, Assets, Opportunities and Constraints (in-person workshop)

This workshop will be an opportunity to inform the community about the project scope, share existing conditions analysis and gather feedback on what is currently working downtown, what is not working, what and where are the opportunities to improve, and what are the barriers to improvement. Feedback from this workshop will bring to light key issues to be addressed in the process. CONSULTANT will lead and facilitate the workshop.

- Engagement Event #2: Visioning and Concepts Exploration - Project Headquarters at Downtown Storefront

CONSULTANT will set up a project headquarters at a vacant storefront, downtown from morning till evening. There will be programmed activities throughout the day.

AM Activities: We will conduct a walk audit of the project area, followed by a Community Visioning Session in break-out groups with a facilitator. The discussion will focus on community preferences, priorities, vision, and guiding principles for the project.

PM Activities: CONSULTANT will lead a hands-on interactive working session with community members in small break-out groups to explore concepts for topics such as (but not limited to) infill housing, typology and scale, connectivity and mobility, programming, public realm design, development etc. Each group will work with a scaled map and scaled pieces representing different uses and programming. The objective of this exercise is to explore ideas for realizing the vision while navigating trade-offs needed to achieve it. Each group will report back key guiding principles, vision ideas and highlights of their concepts.

- Engagement Event #3: Preferred Concept Selection (in-person presentation)

CONSULTANT will lead a community meeting to gather input on the Concept Alternatives and arrive at a preferred alternative to include in the Downtown Housing Plan.

#### Task 2.5 Deliverables:

- Workshop agenda, Memos and/or Presentation Materials, workshop summary notes.

- Attendance and facilitation of community workshops.
- Coordination with CITY's project manager on workshop logistics, outreach, and publicity. CITY's Project Manager will secure a venue for the workshops, lead the outreach and publicity for the events through CITY's official public communications channels such as newsletter, mailing lists, social media, newspapers, etc., and coordinate logistics for childcare and refreshments.

### **Task 2.6 – Downtown Housing Plan Website or Webpage**

CITY will host and maintain a website for the Downtown Housing Plan process to inform the public and stakeholders on progress, centralize project records, upcoming activities, and to host online engagement activities. CONSULTANT will coordinate with CITY staff on the maintenance of the website, by providing most up-to-date project materials to be uploaded to the website. The materials will include background information on the project, a schedule with key milestones and a calendar with details about upcoming events; presentation/meeting materials, summaries, and recordings; a description of ways for people to get involved; and contacts for more information. The website or webpage will support Task 2, Task 3, and Task 4. To facilitate information sharing and foster transparency with the entire community, CONSULTANT recommends setting up a project website at the outset of the planning process as it will serve as an easy-to-use information hub.

#### Task 2.6 Deliverables:

- Create initial content for project Webpage with Ongoing Updates
- Coordinate with CITY staff on uploading project materials to the website.
- Provide up-to-date project materials and content to be hosted on the website.

### **Task 2.7 – Best Practices and Case Studies**

The CONSULTANT team will prepare up to three case studies from comparable cities to summarize lessons learnt on similar issues and how that might be applicable to Palo Alto.

### **Task 2.8 – Pop-up Events (up to 3)**

The CONSULTANT team will host pop-up engagement booths at farmers market, public library, or other CITY-wide events to provide project information to the broader community.

### **Task 2.9 – Project branding, Outreach and Publicity Materials**

The CONSULTANT team understands that developing an eye-catching logo and project branding such as colors and typestyles go a long way in generating interest in the planning process and create a visual cue for the community to associate flyers, meeting announcements, yard signs, postcards, social media with the planning process. The CONSULTANT team will create a branding concept for staff and the CITY's Communications team to review and approve. We will also provide content in the form of text and graphics for outreach and publicity on the CITY's social media channels, newsletters, and press release as relevant.

### **Task 2.10 – Online Surveys**

The CONSULTANT team will prepare and launch a series of online surveys on key topics, to gather input between major engagement events. The surveys will be available through the project website and publicized via the CITY's media channels to gather broad input.

### **Task 2.11 – Developer Round Table**

CONSULTANT proposes to conduct a Developer Round Table for the Technical Advisory Group and Community Working Group and invite developers who have experience delivering market-rate and affordable housing in the region for a discussion on topics such as housing production, development economics, and development standards and their impact on financial feasibility of projects.

## **TASK 3 – COMMUNITY ASSESSMENT AND POLICY DEVELOPMENT**

This task focuses on identifying and analyzing challenges and opportunities to increase housing development downtown. This task includes reports/memos and presentations to the Community Working Group and Technical Advisory Group as deemed necessary, including the CITY Council during study sessions. Reports may be grouped together.

### **Task 3.1 – Key Community Assessment and Policy Development Focus Areas**

This task outlines the primary analysis and reports necessary for identifying and analyzing the Downtown Housing Plan area central opportunities and challenges, as well as for meeting the MTC's Priority Development Area Grant analysis requirements. These analyses will inform and become part of the chapters contained within the Downtown Housing Plan.

#### **Task 3.1.1 – Equity Analysis, Assessment, and Policy Recommendations**

This task will identify any existing inequities between people of different racial or ethnic backgrounds, genders, age groups, abilities, or sexual orientation, as well as the historic and recent factors and policies that contribute to these inequities. This task will utilize this information to develop policies to address existing inequities, as well as to inform the meetings and outreach efforts discussed in Task 2 and inform the deliverable for Task 3.2.2. This task integrates and builds upon the findings from the Housing Element update process and informs understanding of community needs around equity in the Downtown Housing Plan area. That information will include area specific information on demographics, economic opportunity and stability, housing stability, health and risk factors of residents and employees of businesses in the Downtown Housing Plan area and surrounding community.

Understanding inequities and policy solutions to address those inequities in the Palo Alto Downtown Housing Plan:

- i. Requires an analytical approach that applies both data and lived experiences,
- ii. Examines a broader geography that captures those who are not residing in the Downtown area as a result of legacies of displacement and discrimination, and
- iii. Situates today's conditions and trends within the historic and current policy context that drove these patterns.

Based on this approach, SUBCONSULTANT Strategic Economics, who will lead this task will analyze and develop equity policy recommendations through the following steps:

- Data analysis: The data analysis phase will measure trends in and existing inequities between people of different racial and ethnic backgrounds, genders, age groups, abilities, and sexual orientations. The data analysis task will first establish a set of geographies for which equity indicators data will be collected, including, at minimum, the Downtown Housing Plan area, the CITY, and—since housing discrimination has resulted in segregation at the inter-CITY level—an area encompassing nearby communities. SUBCONSULTANT Strategic Economics will also map selected equity indicators to examine the spatial pattern of inequities and determine the role Downtown Palo Alto can play in addressing specific inequities. Based on these geographies, equity indicators data will be collected and analyzed, including indicators for economic conditions, jobs and workforce, education, health, housing, and public safety. The indicators analysis will incorporate a variety of public data sources such as the U.S. Census, local school districts, Santa Clara County and San Mateo County public health departments, and state and local sources. The analysis will also incorporate recent local CITY analyses—such as the Housing Element update analyses—and outside analyses, such as the UC Berkeley Urban Displacement Project’s displacement risk modeling that measures the involuntary displacement outcomes that result from economic exclusion.
- Historical and policy context: In order to connect the findings of the data analysis with their causes, SUBCONSULTANT Strategic Economics will research the historical context and policy context driving patterns of inequity in Palo Alto today. This research will include review of available local historical research that centers marginalized communities, as well as review of historic mechanisms that may have driven local displacement and segregation. Examples include redlining, exclusionary zoning, and use of eminent domain. SUBCONSULTANT Strategic Economics will review recent equity-related analyses and policy efforts such as the CITY’s ongoing Race and Equity efforts through the Policy and Services Committee. SUBCONSULTANT Strategic Economics will also review the CITY’s Housing Element analyses and major policies, regulations, and initiatives especially relevant to the Downtown Housing Plan, such as those related to land use, transportation, housing, health, community services, and economic and workforce development.
- Community engagement: Identifying and resolving inequities requires deep engagement with the lived experience of members of impacted communities. SUBCONSULTANT Strategic Economics will work with the CONSULTANT team to ensure that the community outreach and engagement strategy incorporates an approach and tools to gather input from a diverse range of stakeholders. Possible examples include outreach through community organizations, incorporation of an equity-focused community workshop, ensuring diverse representation on the Community Working Group, use of translation services, and stakeholder outreach to community organizations. Per the scope of Task 2, SUBCONSULTANT Strategic Economics will lead outreach and engagement activities related to advancing equity, including presentation of findings and initial policy recommendations in order to refine these recommendations.
- Policy recommendations: Based on the data analysis, assessment of the historical and policy context, and input received from community stakeholders, SUBCONSULTANT Strategic

Economics will develop policy and program recommendations for the Downtown Housing Plan that will advance equity by race/ethnicity, gender, age group, ability, and sexual orientation. Strategic Economics will author a report describing findings and conclusions of the analysis, research, and community engagement, and will present policy recommendations for vetting and refinement ahead of potential inclusion in the Downtown Housing Plan itself.

**Task 3.1.1 Deliverable:**

- Prepare Equity Analysis, Assessment, and Policy Recommendation Report or Memo (admin and final drafts)
- Attend City Council Study Session

**Task 3.2.1 – Responsiveness to State, Regional, and Local Legal and Regulatory Landscape for Housing Production, Preservation, and Protection Policy Recommendations**

This task involves investigating and summarizing state, regional, and the local policies used by other jurisdictions that influence the regulatory landscape for housing production, preservation, and protection.

The CITY’s existing housing-related policies, regulations, and tools operate within a complex and ever-evolving regulatory landscape that influences local opportunities to produce market rate and affordable housing, preserve existing affordable housing units, and protect residents from displacement from their housing units and communities. Based on a review of existing plans and studies, as well as input from CITY staff and the Technical Advisory Group, SUBCONSULTANT Strategic Economics will summarize existing CITY programs, policies, and funding for housing production, affordable housing preservation, and resident displacement protection. SUBCONSULTANT Strategic Economics will also research state, regional, and local policies in jurisdictions surrounding Palo Alto to identify additional housing policy tools and funding mechanisms. Drawing on its own experience, as well as a review recently completed studies on the topic of affordable housing in the Bay Area, SUBCONSULTANT Strategic Economics will prepare a matrix of “best practices” for the development and preservation of affordable and market rate housing units within the Downtown Housing Plan area. The best practices matrix will be focused on tools and programs that can be implemented to address affordable housing in the area.

**Task 3.2.1 Deliverable:**

- Prepare State, Regional, and Local Legal and Regulatory Landscape Analysis, Assessment, and Policy Recommendation Report or Memo
- Attend City Council Study Session

**Task 3.2.2 – Affordable Housing and Jobs Analysis, Assessment and Policy Recommendations**

This task identifies the composition of jobs in the Downtown Housing Plan area and evaluates the affordability of housing compared to the wages of employees in these jobs. This task quantifies housing need, establishes the housing profile for the area, (deed-restricted affordable housing, unsubsidized affordable housing, market-rate housing, informal housing, and accessibility, etc.), establishes the employment/industry profile for the area, identifies the

development pipeline, assesses real estate conditions and constraints, and assesses local policy conditions and constraints. This task will discuss obstacles to delivery of housing for all income levels and responsive policies. This task will be closely coordinated with the Housing Element update process that is already underway.

This task integrates and builds upon the findings from Task 3.2.2 3.2.1, as well as the Housing Element update process. This task informs understanding of community needs regarding housing and employment, including how to affirmatively further fair housing in the Downtown Housing Plan area. This task draws upon the information from Task 3.2.1 and identifies in greater detail the characteristics of the existing and planned housing stock in the Downtown Housing Plan area and surrounding area, as well as projected short- and long-term need.

SUBCONSULTANT Strategic Economics will prepare a detailed assessment of housing needs, residential market conditions, a profile of existing and planned housing, and current policies and regulations to identify barriers and opportunities to housing production and preservation in the Downtown Housing Plan area. This work will incorporate research and policy recommendations from the Housing Element and tasks 3.2.1, 3.2.2, and 3.2.3. Specific sub-tasks include the following:

- Housing profile: SUBCONSULTANT Strategic Economics will develop a profile describing the existing inventory of housing in the Downtown Plan area, with comparison to the CITY of Palo Alto overall. The inventory will incorporate U.S. Census data describing the composition of the existing housing stock, as well as CITY data tracking deed-restricted affordable housing. The inventory will seek to quantify “naturally occurring affordable housing” (NOAH) based on characteristics typically associated with these units.
- Real estate market conditions: SUBCONSULTANT Strategic Economics will analyze housing market conditions/trends and summarize the housing development context within the Palo Alto Downtown Housing Plan area. To supplement real estate market and development data, SUBCONSULTANT Strategic Economics will conduct interviews with for-profit and nonprofit housing developers to gain insights on the key opportunities and constraints for housing production in the area.
- Jobs, occupation, and wage analysis: SUBCONSULTANT Strategic Economics will measure the link between existing jobs in the Downtown Housing Plan Area and the CITY as a whole and will measure housing need at different income levels. First, SUBCONSULTANT Strategic Economics will create a profile of jobs by industry sector in the Downtown area and the CITY, based on California EDD data, JobsEQ data provided by the CITY via NOVAworks, or U.S. Census business patterns data. SUBCONSULTANT Strategic Economics will also develop a short- and long-term projections of job growth based on ABAG Plan Bay Area 2050 projections. Second, SUBCONSULTANT Strategic Economics will estimate the occupations and wages associated with these jobs based on the California EDD occupation and wage matrix data for Santa Clara County. Third, SUBCONSULTANT Strategic Economics will calculate the number of new households, by income level, associated with this employment growth.
- Housing needs and displacement risks: Housing needs by income level will be compared against the housing profile and market conditions to determine potential existing mismatches,



and to gauge long-term challenges in meeting housing need and addressing displacement impacts. The analysis of displacement risks will incorporate the latest research on gentrification and displacement effects by the Urban Displacement Project at UC Berkeley and literature reviews recently completed by SUBCONSULTANT Strategic Economics to examine the relationship between office employment growth and the potential for gentrification and displacement in surrounding neighborhoods.

- Policy reviews and recommendations: SUBCONSULTANT Strategic Economics will incorporate the findings of the policy review in task 3.2.2 to develop policy recommendations for meeting the housing needs, opportunities, and challenges identified in task 3.2.3.

#### Task 3.2.2 Deliverable:

- Prepare Affordable Housing and Jobs Analysis, Assessment, and Policy Recommendation Report or Memo (admin and final draft);
- Attend City Council Study Session covering the content of Tasks 3.2.2 and 3.2.3.

### **Task 3.2.3 – Housing Development Implementation, Economic Feasibility, and Financing Analysis and Policy Recommendations**

This task focuses on a housing development feasibility analysis to identify the development standards, incentives, and the associated remaining amount of subsidy necessary to yield more residential and mixed-use developments specifically in the Downtown Housing Plan area. This task integrates and builds upon the findings from Task 3.2.1, Task 3.2.2, and the Housing Element update process. This task will analyze the housing opportunity sites identified in the Housing Element Update to understand what is required for housing to be realized on these sites. The analysis will investigate publicly owned and privately owned parcels at various levels of housing affordability. The analysis will identify funding necessary to rehabilitate existing affordable units in the area, thereby preserving and protecting them. Like efforts undertaken by MTC and ABAG, the analysis will identify the funding shortfall that limits the level of affordable housing production and rehabilitation in the Downtown Housing Plan area. This task will include recommendations for CITY actions to help finance affordable housing, such as consideration of publicly owned parking lots or other publicly owned parcels for housing and mixed-use projects, consideration of different types of partnerships with developers, facilitation of land assembly policies, consideration of establishing a business tax to support the Housing Trust Fund, and consideration of a bond measure.

SUBCONSULTANT Strategic Economics will conduct a financial feasibility analysis to assess the potential to incentivize residential development on the opportunity sites identified in the Housing Element Update. The analysis will examine the relative performance of different residential product types and analyze factors influencing the feasibility of residential development in Downtown Palo Alto.

SUBCONSULTANT Strategic Economics will build static pro forma models that will test the financial feasibility of up to three residential prototype development projects, each representing different intensities of development on a typical exemplar opportunity site.

SUBCONSULTANT Strategic Economics will coordinate with CONSULTANT and CITY staff to create detailed development project prototypes representing recent and likely residential development projects in Palo Alto. Based on these prototypes, SUBCONSULTANT Strategic Economics will estimate construction costs and attainable revenues. These estimates will incorporate the results of interviews with real estate professionals (developers, contractors, architects, etc.) with recent or current projects in Palo Alto and Santa Clara and San Mateo Counties. Cost estimates of CITY permits, and fees will be reviewed with Planning staff, including assumptions regarding housing impact fees, inclusionary housing in-lieu fees, and verification of specific housing requirements.

The static financial models for the three residential prototypes will be used to compare costs and capitalized project revenues to test sensitivity of the prototypes' financial feasibility to factors influencing construction costs, attainable revenues, and required return—such as reduced parking or fees, differences in housing unit mix, or public land contributions—based on impacts on the prototypes' supportable residual land values.

SUBCONSULTANT Strategic Economics will use the results of the analysis to provide input on potential policy direction around adjustments to requirements for residential development, and to identify the affordability gap that exists for meeting current or enhanced inclusionary housing requirements.

SUBCONSULTANT Strategic Economics will then examine the gap between overall affordable housing funding need in the Downtown Housing Plan area versus available funding resources. Based on the policy review in task 3.2.1., SUBCONSULTANT Strategic Economics will develop an inventory of tools to address housing affordability in Palo Alto and quantify funding available from current resources.

SUBCONSULTANT Strategic Economics will adapt the financial feasibility analysis to quantify the total affordability gap to deliver required affordable housing units in the Downtown Housing Plan area. The analysis will also quantify a range of need for affordable housing preservation funding based on modeling of the number of units to be preserved and the typical unit acquisition, rehabilitation, and stabilization costs for recently completed preservation projects in and near Palo Alto.

Based on the findings of task 3.2.3, SUBCONSULTANT Strategic Economics will identify additional programs and policies to encourage new housing development at Downtown Palo Alto opportunity sites and protect existing NOAH and income-restricted affordable housing. These findings will incorporate feedback and further refinements based on feedback by the Community Working Group and Technical Advisory Group.

#### Task 3.2.3 Deliverable:

- Prepare Housing Development Implementation, Economic Feasibility, Financing Analysis, and Policy Recommendation Report or Memo (admin and final drafts)
- Attend CITY Council Study Session

#### **Task 3.2.4 – Resilience and Climate Adaptation Analysis, Assessment and Policy Recommendations**

This task assesses the relative vulnerability of the Downtown Housing Plan area and surrounding communities to natural hazards (examples: sea level rise and flooding, seismic factors) and to environmental quality (examples: air quality, tree canopy/green space, water quality, environmental contamination). This task identifies potential investments, policies, or programs to better adapt the community to these vulnerabilities and poise the community to respond to future conditions and events. This task integrates and builds upon the CITY's Sustainability and Climate Action Plan and Sea Level Rise Vulnerability Assessment.

CONSULTANT and SUBCONSULTANT CSW|ST2 will consider climate vulnerabilities as they pertain to downtown and in light of CITY's Sustainability and Climate Action Plan and Sea Level Rise Vulnerability Assessment studies.

**Task 3.2.4 Deliverable:**

- Prepare Resilience and Climate Adaptation Analysis, Assessment, and Policy Recommendation Report or Memo (admin and final drafts)
- Attend City Council Study Session

**Task 3.2.5 – Community Assets, Services, and Infrastructure Analysis, Assessment, and Policy Recommendations**

This task identifies the existing availability of essential services and social infrastructure (examples: health care, food and sundries, childcare and education, open space and recreation, community facilities, etc.), existing physical infrastructure (examples: energy, waste, water, electric vehicle charging, broadband, etc.), and existing community assets (examples: formal and informal gathering spaces, cultural institutions, etc.) in the Downtown Housing Plan area. This task will assess the stability of existing and identify currently missing community assets, services, and infrastructure, as well as identify potential investments, policies, or programs to policies to support them in the Downtown Housing Plan area. This analysis will focus on the needed assets to support an increased downtown population.

**Task 3.2.5 Deliverable:**

- Prepare Community Assets, Services, and Infrastructure Analysis, Assessment, and Policy Recommendation Report or Memo (admin and final drafts)
- Attend City Council Study Session

**Task 3.2.6 – Mobility and Interconnectivity Analysis, Assessment, and Policy Recommendations**

This task will assess trip patterns, the quality and relative safety of travel by active modes and for persons with disabilities, access to transit and essential services, and vehicle miles traveled for residents and employees of local businesses within and adjacent to the Downtown Housing Plan area. This task will identify potential investments, policies or programs to improve mobility and interconnectivity, as well as reduce Vehicle Miles Travelled (VMT).

This task integrates and builds upon Public Works Department and Office of Transportation efforts, including the University Avenue Corridor Street Design, Citywide Bicycle + Pedestrian Plan update, parking management, and VMT policy making.

SUBCONSULTANT W-Trans will lead this task and conduct a comprehensive assessment of existing and planned transportation facilities and programs that serve all users, focusing on elements such as multi-modal connectivity within the downtown, on- and off-street public and private parking resources including their operations and regulations (e.g. requirements and in-lieu fees) in the CITY Code, and transportation demand management (TDM) measures designed to reduce vehicle miles traveled (VMT). The existing conditions review will rely on existing data such as that collected in the 2017 Downtown Parking Management Study and the Bicycle and Pedestrian Transportation Plan Update and does not assume the collection of new data. A strong emphasis will be placed on analyzing existing and planned parking resources in relation to potential new development and the ability to maximize “shared” parking resources while minimizing parking and traffic impacts to the surrounding neighborhoods. In addition, current TDM programs and the work of the Palo Alto Transportation Management Association (PATMA) will be evaluated, and new opportunities will be identified with particular focus on resident and employee measures that can reduce VMT that do not inadvertently create new impacts (e.g. unbundled parking pricing without proper on-street management). A cost assessment will be conducted on all measures for consideration to determine the cost-effective approach.

The resulting mobility plan will include recommended policies and programs that accomplish a range of goals including increasing the share of non-motorized travel to the downtown, effectively utilizing available parking resources, and reducing the need for costly parking infrastructure and incentivizing the implementation of TDM measures to provide both economical and sustainable mobility options to all downtown users.

#### Task 3.2.6 Deliverable:

- Prepare Mobility and Interconnectivity Analysis, Assessment, and Policy Recommendation Report or Memo (admin and final drafts)
- Attend City Council Study Session

#### **Task 3.2.7 – Downtown Private Realm and Public Realm Design Guidelines, Architectural Review Findings, and Objective Standards for Housing Development Policy Recommendations**

This task evaluates the CITY’s current Downtown Design Guidelines, Architectural Review Findings, and Objective Standards for Housing Development to assess which aspects could be updated to facilitate housing development in the Downtown Housing Plan area. Private realm considerations include design gestures that contribute to a strong sense of place, such as building massing, lighting, landscaping, and building interfaces with public realm such as streets, alleys, and open space. Considerations include building on previous efforts that maintained view corridors, activity focal points, and a human scale orientation throughout downtown. Considerations also include urban design that addresses the anticipated greater diversity of building forms, densities, height, and mixed-use development for the Downtown Housing Plan area. This effort will draw on CITY-wide Objective Design Standards as well as Housing Element discussions regarding form.

The alternatives exploration will be guided by an understanding of market demand and development feasibility of housing types and other uses. CONSULTANT will develop 2D diagrams and 3D illustrations to test site feasibility, program options and scale of development. These materials will also serve as effective communication tools during stakeholder and community engagement events. Based on the feasibility testing and concept explorations, CONSULTANT will prepare recommendations for updates to existing standards and introduction of new standards and guidelines to achieve the desired outcomes. Public realm considerations include a Sustainable Streets focus that identifies the key remaining steps necessary to implement vision zero policies, complete street designs, versatile use of the public right of way, and green streets infrastructure designs within the Downtown Housing Plan area. Public realm considerations also reference innovations in parking management and curb management.

CONSULTANT will prepare open space and landscape design standards and guidelines for public and private realm, addressing open space requirements for private development, planting guidelines, stormwater and wastewater management guidelines, parking, and curb management, etc. CONSULTANT will include cross-sections and precedent images to communicate best practices and guidance on open space and landscape treatment.

**Task 3.2.7 Deliverable:**

- Prepare Downtown Private Realm and Public Realm Design Guidelines, Architectural Review Findings, and Objective Standards for Housing Development Policy Recommendations Report or Memo
- Attend City Council Study Session

**Task 3.2.8 – Downtown Visioning, Opportunities/Constraints, Identification of Community Best Practices, and Downtown Housing Plan Approach Recommendations**

This task integrates all other subtasks and discusses the options for meeting the Downtown Housing Plan area central challenges based upon the information surfaced during this Community Assessment and Policy Development effort.

**Task 3.2.8 Deliverable:**

- Prepare Downtown Visioning, Opportunities/Constraints, Identification of Community Best Practices and Downtown Housing Plan Approach Recommendations Report or Memo
- Attend City Council Study Session

**Task 3.2.9 Fiscal Impact Analysis**

Based on a buildout program provided by CONSULTANT, Strategic Economics will estimate the fiscal impact of development in the Downtown Housing Plan area. The analysis will estimate the fiscal impact of a potential future development scenario on the CITY's General Fund. The fiscal study will estimate the operating revenues and expenditures associated with projected net new growth in commercial and residential land uses. SUBCONSULTANT Strategic Economics will analyze the property tax, sales tax, and other major sources of General Fund revenues associated with net new growth in land uses. Based on interviews with key CITY departments,

SUBCONSULTANT Strategic Economics will calculate the increase in General Fund expenditures for providing services to new residents and employees. Based on the results of the fiscal assessment, SUBCONSULTANT Strategic Economics will determine whether the estimated public revenues would offset increases in the cost of public services to serve new development.

Task 3.2.9 Deliverable:

- Fiscal Impact Analysis Memo (two drafts: administrative and final)

## **TASK 4 –DOWNTOWN HOUSING PLAN DOCUMENTS**

This overall task outlines the primary documents necessary for adoption of the Downtown Housing Plan, as well as the documents necessary to meet the MTC’s Priority Development Area Grant requirements.

### **Task 4.1 – Downtown Housing Plan Preparation**

This task outlines the steps necessary to prepare the Downtown Housing Plan. This task may include meetings with the Community Working Group. CONSULTANT will lead this task and coordinate contributions from other team members. We will set up a project branded document template for the final Downtown Housing Plan.

#### **Task 4.1.1 – Downtown Housing Plan Sections and Topic Outline**

This task results in the outline of the Downtown Housing Plan sections and topics. As required by the MTC’s Priority Development Area Grant, the outline can be organized differently, but will include at least the following topics: introduction, vision, development standards, open space, mobility, community assets and infrastructure, and implementation and financing. This report will integrate the content and deliverables from the prior tasks. CONSULTANT will prepare an outline of the Downtown Housing Plan document for staff review and finalize it based on feedback received.

Task 4.1.1 Deliverable:

- Prepare Downtown Housing Plan Sections and Topic Outline

#### **Task 4.1.2 - Downtown Housing Plan Administrative Draft 1**

CONSULTANT will prepare a digital copy of the Administrative Draft of the Downtown Housing Plan. Draft 1 will be submitted in a Word file format for Staff comments, with accompanying graphics and images in a separate PDF format.

Task 4.1.2 Deliverable:

- Prepare Downtown Housing Plan Administrative Draft 1 (Word and Portable Document Format (PDF) versions)

#### **Task 4.1.3 - Downtown Housing Plan Community Working Group and Technical Advisory Group Draft 1**

CONSULTANT will provide a digital copy of the Administrative Draft 1 of the Downtown Housing Plan for review by the Community Working Group and the Technical Advisory Group.

Task 4.1.3 Deliverable:

- Prepare Downtown Housing Plan Community Working Group and Technical Advisory Group Draft 1 (Word and PDF versions)

**Task 4.1.4 - Downtown Housing Plan Administrative Draft 2**

Downtown Housing Plan Administrative Draft 2 will address comments received on Draft 1, from Staff, Technical Advisory Group and Community Working Group. CONSULTANT will format Draft 2 in the project branded graphic template and will submit it for a second round of Staff review in a PDF format.

Task 4.1.4 Deliverable:

- Prepare Downtown Housing Plan Administrative Draft 2 (Word and PDF versions)

**Task 4.1.5 - Downtown Housing Plan Public Hearing Draft 1**

CONSULTANT will address comments received on Administrative Draft 2 and prepare a PDF of Downtown Housing Plan Public Hearing Draft 1, formatted in the project branded graphic template.

Task 4.1.5 Deliverable:

- Prepare Downtown Housing Plan Public Hearing Draft 1 (Word and PDF versions)

**Task 4.1.6 – Downtown Housing Plan Final**

CONSULTANT will incorporate comments received on the Public Hearing Draft of the Downtown Housing Plan and prepare a PDF of the final Downtown Housing Plan document.

Task 4.1.6 Deliverable:

- Prepare Downtown Housing Plan Public Final

**Task 4.2 – Downtown Housing Plan California Environmental Quality Act (CEQA) Environmental Document**

This task outlines the steps necessary to prepare the CEQA Environmental Document necessary for the Downtown Housing Plan. The goal of this task is to prepare the correct CEQA document that will clear projects that are consistent with the Downtown Housing Plan, avoiding the need for project-level analyses.

**Task 4.2.1 – Notice of Preparation (NOP)/Initial Study Task**

SUBCONSULTANT David J Powers & Associates will prepare an Initial Study which will tier from the Comprehensive Plan Update Final EIR. The Initial Study, which will utilize the CEQA

Guidelines Appendix G Checklist, will analyze the proposed housing Downtown Housing Plan assuming the policies and mitigation measures identified in the Comprehensive Plan Update Final EIR as part of the project. All development standards identified in the Downtown Housing Plan will also be assumed in the analysis. The intent is to provide a sufficient level of analysis to allow future projects/discretionary actions to proceed without supplemental environmental review.

Prior to the start of the Initial Study, SUBCONSULTANT David J Powers & Associates will participate in a kick-off meeting with CITY staff to confirm the assumptions of the analysis, the scope of work, and schedule. After the kick-off meeting, SUBCONSULTANT David J Powers & Associates will prepare the project description to be included in the environmental analysis and submit to CITY staff for review. The kick-off meeting and preparation of the project description would take one week to complete.

Based on a review of the Comprehensive Plan Update Final EIR, this scope assumes that the analysis will not quantify operational or construction Air Quality, Greenhouse Gas Emissions, Noise, or Vibration.

A Phase I Environmental Site Assessment of the Downtown Housing Plan Area will be required to identify the appropriate mitigation for future projects. A transportation analysis, which quantifies vehicle miles traveled (VMT), will also be required. While VMT was addressed in the Comprehensive Plan Update Final EIR, the EIR was completed and certified prior to the adoption of a quantifiable VMT threshold and the Santa Clara Valley Transportation Authority's VMT Evaluation Tool. As such, an updated VMT analysis will be required.

Based on the findings of the Comprehensive Plan Update Final EIR, an EIR would be required if the Initial Study analysis finds a significant unavoidable impact to historic structures and/or VMT. It is unlikely that the proposed Downtown Housing Plan would result in any other resource area having a new significant impact or a greater level of impact than what was identified in the Comprehensive Plan Update Final EIR.

Assuming the VMT analysis would take 10 weeks to complete, including two weeks for a detailed scope review and approval by CITY staff, the Initial Study would be completed 13 weeks after approval of the project description.

If the analysis determines that an EIR is required (see Task 4.2.2), DJP&A will prepare a Notice of Preparation (NOP) and submit the NOP to the CITY along with the Initial Study for review. If an EIR is not required, DJP&A will submit just the Initial Study for review. Preparation of the NOP will not add time to the 13-week Initial Study schedule.

#### 4.2.1 Deliverable:

- Prepare Notice of Preparation (NOP)/Initial Study

#### **Task 4.2.2 - Identification of Appropriate CEQA Environmental Document**

This task identifies the appropriate CEQA Environmental Document, likely an Initial Study/Negative Declaration, Initial Study/Mitigated Negative Declaration, Supplemental Environmental Impact Report, or a Programmatic Environmental Impact Report.



Based on the findings of the Initial Study, SUBCONSULTANT David J Powers & Associates will prepare a memo for CITY staff outlining the level of environmental review required pursuant to CEQA. The memo will be completed and submitted to the CITY within three business days of completing the Initial Study.

Task 4.2.2 Deliverable:

- Prepare CITY Internal Memo

**Task 4.2.3 – Environmental Document Notices and Preparation**

This task outlines the steps for completing CEQA documentation for the Downtown Housing Plan.

**Task 4.2.3A – Scoping Meeting**

If an EIR is required, SUBCONSULTANT David J Powers & Associates will assist CITY staff as needed in completing a scoping meeting for the EIR. SUBCONSULTANT David J Powers & Associates will prepare the public notices and any necessary reports, prepare a presentation describing the public participation process, and respond to questions as needed during the meeting.

Task 4.2.3A Deliverable:

- Prepare noticing materials;
- Facilitation of Scoping Meeting

**Task 4.2.3B – Administrative Draft CEQA Environmental Document Task**

If it is determined that an Initial Study is the appropriate level of environmental review, submittal of the Initial Study (as outlined in Task 4.2.1) will constitute the administrative draft CEQA document. If an EIR is required, the Initial Study will be used to focus the EIR on the new/greater resource impacts. The EIR will be prepared and submitted within three weeks of submittal of the Initial Study. If an EIR is required, the Initial Study will be included in the EIR as Appendix A for public circulation. If an EIR is recommended, SUBCONSULTANT David J Powers & Associates recommends a meeting with CITY Staff to discuss and outline alternatives to be assessed in the EIR.

4.2.3B Deliverable:

- Prepare Administrative Draft CEQA Environmental Document

**Task 4.2.3C –Draft CEQA Environmental Document Task**

Based on CITY Staff comments on the EIR and/or Initial Study, SUBCONSULTANT David J Powers & Associates will revise the document as needed and submit a Screencheck EIR and/or Initial Study for final review and approval. Once final approval is provided by CITY Staff, DJP&A will prepare the Draft EIR and/or Initial Study for public circulation. Deliverables will include a PDF of the environmental document and appendices for posting on the CITY's website, uploading of all documents to the State Clearinghouse, and delivery of up to 35 hard copies of the document to the CITY for distribution.

4.2.3C Deliverable:

- Prepare Draft CEQA Environmental Document

**Task 4.2.3D – Notice of Completion (NOC)**

SUBCONSULTANT David J Powers & Associates will prepare the Notice Completion for circulation of the environmental document.

Task 4.2.3D Deliverable:

Prepare and file Notice of Completion (NOC) with State Clearinghouse

**Task 4.2.3E – Final Environmental Impact Report (FEIR) (If Applicable)Task**

If an EIR is required, SUBCONSULTANT David J Powers & Associates will prepare a Final EIR which responds to all comments received during the public circulation period and includes any necessary text edits. The Administrative Draft Final EIR will be submitted to the CITY within three weeks of the end of the circulation period for review, dependent on the number and substance of comment letters received. The schedule for completion of the Final EIR will be coordinated with CITY staff once all comments are received and the level of work required to prepare the Final EIR is understood.

This scope assumes one administrative draft review and one Screencheck review. Upon approval of the Screencheck, DJP&A will finalize the Final EIR and submit a PDF of the environmental document for posting on the CITY's website, upload the document to the State Clearinghouse, and deliver of up to 25 hard copies of the document to the CITY for distribution.

If an Initial Study is prepared, DJP&A will prepare a response to comments memo to be included in the staff report if necessary. The response to comments memo would follow the same process as the Final EIR but would not be required to be uploaded to the State Clearinghouse and no hard copies would be provided.

4.2.3E Deliverable:

Prepare Final Environmental Impact Report (FEIR)

**Task 4.2.3F – Notice of Determination (NOD)**

Upon approval/certification of the environmental document, DJP&A will prepare a Notice of Determination and file it at the County within five business days of the final public hearing.

Task 4.2.3F Deliverable:

Prepare and file Notice of Determination (NOD) with State Clearinghouse

**Task 4.2.3G – Technical SUBCONSULTANTS for EIR**

Noting this tasks identifies that resources will be need for technical consults and ensures that Exhibit A matches Exhibit C back up material in terms of budgeted amount. A breakdown of scope of work and labor costs will be approved by CITY staff prior to use of these budgeted funds.

**Task 4.3 – Downtown Housing Plan Adoption, CEQA Environmental Document**

## **Certification, Comprehensive Plan Amendment, and Municipal Code Update**

This task outlines the steps necessary to adopt the Downtown Housing Plan.

### **Task 4.3.1 – Public Hearings (Updates and Coordination)**

This task pertains to public hearings with City Council and other boards and commissions to provide updates and coordination on the Downtown Housing Plan process. Three to five public hearings are anticipated with each body (i.e. City Council, Planning and Transportation Commission, Architectural Review Board).

CONSULTANT will coordinate with the CITY's Project Manager on preparing updates on the Downtown Housing Plan Preparation Process to present at public hearings with the City Council, Planning and Transportation Commission, and Architectural Review Board. CONSULTANT will prepare presentation materials as needed, for the public hearings.

SUBCONSULTANT David J Powers & Associates will provide staff support as necessary at up to 15 total public hearings during preparation of the environmental analysis, including giving presentations to each body on the status of the environmental analysis and responding to questions.

#### Task 4.3.1 Deliverables:

- Prepare reports and presentation materials, meeting summary notes,
- Attendance at public hearings.

### **Task 4.3.2 – Public Hearings (Adoption)**

This task pertains to public hearings with CITY Council and other boards and commissions necessary to certify the CEQA Environmental Document and adopt the Downtown Housing Plan. At least four public hearings are anticipated.

CONSULTANT will provide staff support as necessary, by providing presentation materials and other relevant content, at up to four public hearings for adoption of the Downtown Housing Plan and CEQA Environmental Document. SUBCONSULTANT David J Powers & Associates will provide staff support as necessary at up to four total public hearings for adoption of the Downtown Housing Plan and environmental analysis, including giving presentations to each body on the findings of the environmental analysis and responding to questions.

#### Task 4.3.2 Deliverables:

- Prepare reports and presentation materials, meeting summary notes.
- Attendance at public hearings.

### **Task 4.3.3 – CEQA Environmental Document Certification or Adoption**

SUBCONSULTANT David J Powers & Associates will assist CITY staff with preparation of the findings/resolution as needed for certification of the EIR or adoption of the Initial Study.

Task 4.3. 3 Deliverable:

- Document Certification/Adoption Resolution

**Task 4.3.4 - Downtown Housing Plan Adoption**

CONSULTANT will provide staff support as necessary for Downtown Housing Plan Adoption.

Task 4.3.4 Deliverable:

- Assist with Downtown Housing Plan Adoption Resolution

**Task 4.3.5 – Land Use Map Update and Comprehensive Downtown Housing Plan Amendment**

CONSULTANT will assist staff in updating the Land Use Plan and other relevant sections of the CITY-wide Comprehensive Plan.

Task 4.3.5 Deliverable:

- Assist with Map Update and Amendment Resolution

**Task 4.3.6 – Zoning Map Update and Municipal Code Update**

CONSULTANT will assist staff in updating the Zoning Map and relevant sections of the CITY Municipal Code.

Task 4.3.6 Deliverable:

- Assist with Map and Code Update Ordinance

**EXHIBIT A-1**  
**PROFESSIONAL SERVICES TASK ORDER**

CONSULTANT shall perform the Services detailed below in accordance with all the terms and conditions of the Agreement referenced in Item 1A below. All exhibits referenced in Item 8 are incorporated into this Task Order by this reference.

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CONTRACT NO. C24187236

- 1A. TASK ORDER NO.:
2. CONSULTANT OR SUBCONSULTANT NAME:
3. PERIOD OF PERFORMANCE: START:
4. TOTAL TASK ORDER PRICE: \$\_\_\_\_\_
7. SCOPE OF SERVICES – MUST REFERENCE TASK(S) IN EXHIBIT A
8. ATTACHMENTS:

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**I hereby authorize the performance of  
the work described in this Task Order.**

**APPROVED:**  
CITY OF PALO ALTO

Name \_\_\_\_\_

Title\_\_\_\_\_

Date \_\_\_\_\_

**I hereby acknowledge receipt and  
acceptance of this Task Order and  
warrant that I have authority to sign on  
behalf of Consultant.**

**APPROVED:**  
WALLACE ROBERTS & TODD, LLC

Name \_\_\_\_\_

Title\_\_\_\_\_

Date \_\_\_\_\_

**EXHIBIT B**  
**SCHEDULE OF PERFORMANCE**

CONSULTANT shall perform the Services so as to complete each task either on daily basis or as directed by CITY staff. The time to complete each milestone may be increased or decreased by mutual written agreement of the Project Managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement.

<b>TASKS</b>	<b>SCHEDULE</b>
1. PROJECT MANAGEMENT AND COORDINATION	ONGOING/DAILY
2. COMMUNITY OUTREACH AND ENGAGEMENT	AS DIRECT BY CITY STAFF
3. COMMUNITY ASSESSMENT AND POLICY DEVELOPMENT	AS DIRECT BY CITY STAFF
4. DOWNTOWN HOUSING PLAN DOCUMENTS	AS DIRECT BY CITY STAFF

## **EXHIBIT C COMPENSATION**

CITY agrees to compensate CONSULTANT for Services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the rate schedule attached as Exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below, provided that the total compensation for the Services, including any specified reimbursable expenses, and the total compensation for Additional Services (if any, per Section 4 of the Agreement) do not exceed the amounts set forth in Section 4 of this Agreement.

CONSULTANT agrees to complete all Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4), within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

### **BUDGET SCHEDULE**

<b>TASK</b>	<b>NOT TO EXCEED AMOUNT</b>
Task 1 (PROJECT MANAGEMENT AND COORDINATION)	\$121,265
Task 2 (COMMUNITY OUTREACH AND ENGAGEMENT)	\$338,170
Task 3 (COMMUNITY ASSESSMENT AND POLICY DEVELOPMENT)	\$385,310
Task 4 (DOWNTOWN HOUSING PLAN DOCUMENTS)	\$490,895
Sub-total for Services	<b>\$1,335,640</b>
Reimbursable Expenses (if any)	<b>\$35,500</b>
<b>Total for Services and Reimbursable Expenses</b>	<b>\$1,371,140</b>
Additional Services (if any, per Section 4)	\$137,114
<b>Maximum Total Compensation</b>	<b>\$1,508,254</b>

### **REIMBURSABLE EXPENSES**

CONSULTANT'S ordinary business expenses, such as administrative, overhead, administrative support time/overtime, information systems, software and hardware, photocopying, telecommunications (telephone, internet), in-house printing, insurance and other ordinary business expenses, are included within the scope of payment for Services and are not reimbursable expenses hereunder.

Reimbursable expenses, if any are specified as reimbursable under this section, will be reimbursed at actual cost. The expenses (by type, e.g. travel) for which CONSULTANT will

be reimbursed are: **travel, meals, printing, translation services, renderings, visualizations, and stipends for nonprofit/community members/round table panelists** up to the not-to-exceed amount of: **\$35,500**.

A. Travel outside the San Francisco Bay Area, including transportation and meals, if specified as reimbursable, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses.

B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges, if specified as reimbursable, will be reimbursed at actual cost.

All requests for reimbursement of expenses, if any are specified as reimbursable under this section, shall be accompanied by appropriate backup documentation and information.



## EXHIBIT C-1 SCHEDULE OF RATES

CITY, CONSULTANT and SUBCONSULTANTS may at any time mutually agree to add new position titles, rates, and adjust listed rates so long as the changes do not increase the not to exceed amount as noted in Section 4.

CONSULTANT's schedule of rates is as follows:

### **Wallace Roberts & Todd, LLC**

Principal	\$265
Principal Advisors	\$265
Project Manager	\$205
Sr. Urban Designer/Architect	\$205
PUD Level III	\$160
UD Level 1	\$115
Administrative Support	\$110

**SUBCONSULTANTS schedule of rates is as follows:**

### **CBI**

Principal	\$255
Staff	\$205

### **Strategic Economics**

Principal	\$235
Associates	\$140
Research Analyst	\$115

### **W-Trans**

Principal	\$300
Project Manager	\$270
Project Planner	\$135
Administrative Support	\$130

### **CSW | ST2**

Principal	\$300
Project Manager	\$270
Engineer	\$175

### **David J Powers & Associates**

Principal	\$295
Project Manager	\$230
Staff	\$120- \$180

## EXHIBIT D INSURANCE REQUIREMENTS

CONSULTANTS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A-VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS AS SPECIFIED HEREIN.

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY	STATUTORY	STATUTORY
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
YES	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE	ALL DAMAGES	\$1,000,000	
YES	<b>THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED:</b> CONSULTANT, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONSULTANT AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, <b>NAMING AS ADDITIONAL INSUREDS CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.</b>			

I. INSURANCE COVERAGE MUST INCLUDE:

- A. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONSULTANT'S AGREEMENT TO INDEMNIFY CITY.

II. THE CONSULTANT MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE

III. ENDORSEMENT PROVISIONS WITH RESPECT TO THE INSURANCE AFFORDED TO ADDITIONAL INSUREDS:

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSUREDS.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSUREDS UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSUREDS, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

**EVIDENCE OF INSURANCE AND OTHER RELATED NOTICES ARE REQUIRED TO BE FILED WITH THE CITY OF PALO ALTO TO THE FOLLOWING EMAIL: [PURCHASINGSUPPORT@CITYOFFALOALTO.ORG](mailto:PURCHASINGSUPPORT@CITYOFFALOALTO.ORG)**