



JOINT SPECIAL MEETING OF THE MILPITAS CITY COUNCIL AND SUCCESSOR AGENCY AND JOINT REGULAR MEETING OF THE MILPITAS CITY COUNCIL AND HOUSING AUTHORITY



AGENDA

TUESDAY, SEPTEMBER 1, 2026

CITY COUNCIL CHAMBER, 455 E. CALAVERAS BLVD, MILPITAS, CA

5:00 PM (SPECIAL MEETING)

6:00 PM (CLOSED SESSION)

7:00 PM (PUBLIC BUSINESS)

For assistance in the following languages, you may call:

Đối với Việt Nam, gọi 408-586-2400

Para sa Tagalog, tumawag sa 408-586-3051

Para español, llame 408-586-3072

** To access written translation during the meeting, scan the QR Code.*

The City Council meeting is held in the City Council Chamber at City Hall, 455 E. Calaveras Blvd., Milpitas and via teleconference/Zoom webinar.

You may watch the Council meeting without providing public comment by accessing it via links here.

Meeting shall be livestreamed - Go to:

Facebook: <https://www.facebook.com/CityofMilpitas/>

YouTube: <https://www.milpitas.gov/youtube>

Web Streaming: <https://www.milpitas.gov/webstreaming>

PUBLIC COMMENT INSTRUCTIONS

Members of the public may provide oral public comment in person during the City Council meeting or remotely via Zoom. Individual speakers are generally limited to three (3) minutes or less, as determined by the Mayor. Members of the public may provide one comment per agenda item and one comment during General Public Comment. Written comments may be submitted by email to CityClerk@milpitas.gov. To participate via Zoom, please register at:

https://ci-milpitas-ca-gov.zoom.us/webinar/register/WN_Z0IWx45WQDuMRk9qQ7HO0g

NOTE: If a member of the public wishes to share any presentation materials for Council consideration, they must be submitted to the Clerk's Office by email to CityClerk@milpitas.gov by 12:00 p.m. on the day of the meeting. No presentations will be accepted in person in the Council Chambers.

For complete information about attending meetings, providing public comment, remote participation, language access services, accessibility accommodations, and viewing options, visit: <https://www.milpitas.gov/1443/Participating-in-City-Council-Meetings>

MILPITAS CITY COUNCIL CODE OF CONDUCT

- Be respectful and courteous (words, tone, and body language).
- Model civility.
- Avoid surprises.
- Praise publicly and criticize privately.
- Focus on the issue, not the person.
- Use electronic devices appropriately while on the Council dais.
- Disclose conflicts of interest and affiliations related to agenda items.
- Separate governing from campaigning.
- The Council speaks with one voice after making policy on issues.
- Respect the line between policy and administration.
- Council will hold one another accountable to comply with this Code of Conduct.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk (5:00 PM)

SPECIAL MEETING

1. **Adopt a Resolution of the Board of the Successor Agency to the Redevelopment Agency of the City of Milpitas Confirming and Designating Officers of the Successor Agency (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)**

Recommendation: Adopt a resolution confirming and designating City officials to serve as officers of the Successor Agency to the Redevelopment Agency of the City of Milpitas.

2. **Adopt a Resolution for the Sale and Issuance of Refunding Bonds for the Successor Agency to the Redevelopment Agency (Staff Contact: Luz Cofresí-Howe, Chief Financial Officer/Treasurer, 408-586-3111)**

Recommendation: Adopt a resolution of the Successor Agency Board authorizing the issuance and sale of 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) in a principal amount not to exceed \$40,000,000 to refund the outstanding 2015 Tax Allocation Refunding Bonds; approving the Debt Service Savings Analysis, Indenture of Trust, Bond Purchase Agreement, Irrevocable Refunding Instructions, Continuing Disclosure Certificate, and Preliminary Official Statement; approving an underwriter's discount not to exceed 0.45% and minimum net present value savings of 3.00% of the principal amount of the 2015 Bonds refunded; and authorizing the Executive Director, Assistant Executive Director, or Chief Financial Officer/Treasurer, or designee, to execute related documents and take other actions necessary to complete the financing.

ADJOURN TO CLOSED SESSION (6:00 PM)

(a) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(d)(2)

Facts and circumstances related to potential exposure:

Written threat of litigation dated May 19, 2026 and related matters.

CLOSED SESSION ANNOUNCEMENT:

Report on action taken in Closed Session, if required per Government Code Section 54957.1, including the vote or abstention of each member present.

REGULAR MEETING CALL TO ORDER (7:00 PM)

PLEDGE OF ALLEGIANCE

INVOCATION (Councilmember Chua)

PRESENTATIONS

- Women's Equality Day (Proclamation)
- National Suicide Prevention Week (Proclamation)
- National Preparedness Month (Proclamation)

PUBLIC FORUM

Members of the public are invited to speak on any item that does not appear on today's agenda within the subject matter jurisdiction of the City. Comments will be limited to three minutes or less at the Mayor's discretion. When called to speak, you are encouraged to state your name for the record. As an item not listed on the agenda, no action can be taken, however the City Council may instruct the City Manager to place the item on a future meeting agenda.

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

READING OF THE CITY COUNCIL CODE OF CONDUCT

APPROVAL OF AGENDA

CONSENT CALENDAR

Consent calendar items are considered to be routine and will be considered for adoption by one motion. There will be no separate discussion of these items unless a City Councilmember, member of the audience or staff requests the Council to remove an item from (or be added to) the consent calendar. Any person desiring to speak on any item on the consent calendar should ask to have that item removed from the consent calendar.

- C3. Receive City Council Calendar of Meetings (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Recommendation: Receive City Council Calendar of Meetings for September 2026.

- C4. Approve City Council Meeting Minutes (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Recommendation: Approve City Council Meeting minutes of August 3 and 11, 2026.

- C5. Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Recommendation: Receive the list of anticipated agenda items for the next regular City Council meeting.

- C6. Receive and Review the List of Agenda Items Requested by City Councilmembers (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Recommendation: Receive the list of items that have been requested by City Councilmembers and received consensus in previous meetings to date.

- C7. Receive Report of Actions Taken by the City Manager During the City Council Summer Recess from June 17 through August 10, 2026 (Staff Contact: Scott Transou, Assistant City Manager, 408-586-3012)**

Recommendation: Receive report of actions taken by the City Manager during the City Council Summer Recess from June 17 through August 10, 2026.

- C8. Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with Probolsky Research LLC for Citywide Research Services and Surveys (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Charmaine Angelo, Public Information Officer, 408-586-3055)**

Recommendation: Authorize the City Manager, or designee, to negotiate and execute a professional services agreement with Probolsky Research LLC for Citywide research services and surveys for a five-year term with an initial not-to-exceed compensation of \$414,500, plus a 15% contingency of \$62,175, for a total maximum compensation of \$476,675, subject to appropriation by the City Council through the annual budget adoption process.

- C9. Authorize Conveyance of Below Market Rate Unit at 1377 Coyote Creek Way to the Milpitas Housing Authority, and Approve the Sale of the Unit to an Income-Qualified Buyer (Staff**

Contact: Hanson Hom, Senior Special Projects Associate; and Michelle Silva, Administrative Analyst II, 408-586-3222)

Recommendation: (1) Authorize conveyance of the real property located at 1377 Coyote Creek Way (APN 083-10-079) from the City of Milpitas to the City of Milpitas Housing Authority and authorize the City Manager, or designee, to execute a grant deed and all other documents necessary to complete the conveyance, in a form approved by the City Attorney; and (2) Approve the sale of the property by the City of Milpitas Housing Authority to the income-qualified buyer at the maximum affordable resale price of \$585,000, and authorize the Executive Director, or designee, to execute the purchase and sale agreement, grant deed, escrow instructions, resale restriction agreement, and all other documents necessary to complete the sale, in a form approved by Authority Counsel.

- C10. Adopt a Resolution to Amend the Classification Plan to Establish the Positions of Asset Management Program Administrator and Purchasing Manager, Reclassify the Purchasing Manager, and Amend the Salary Schedule to Include the Salary Range for Both Classifications, Effective September 1, 2026 (Staff Contact: Kelli Parmley, Human Resources Director, 408-586-3090)**

Recommendation: Adopt a resolution amending the Classification Plan to: (1) establish a new classification for the Asset Management Program Administrator; (2) establish the classification of Purchasing Manager and reclassify the Purchasing Agent to Purchasing Manager; (3) approve the class specifications for both classifications; and (4) amend the Salary Schedule to include the salary ranges for both classifications.

- C11. Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with CentralSquare Technologies, LLC for Maintenance and Support of the City's Public Safety Computer Aided Dispatch System and Related Software (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Daniel Nam, Information Technology Director, 408-586-2712)**

Recommendation: Authorize the City Manager, or designee, to negotiate and execute an agreement with CentralSquare Technologies, LLC for ongoing maintenance and support of the City's Public Safety Computer Aided Dispatch System and related software with a term of September 1, 2026 through June 30, 2031, a first-year maximum cost of \$143,201, and a total not-to-exceed cost of \$831,464 for the full five-year term, subject to the annual appropriation of funds, with the agreement including a payment for FirstTwo visual intelligence platform services retroactive to July 1, 2026.

- C12. Waive the Second Reading and Adopt Ordinance No. 38.863 to Amend the Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 Relating to the Regulation of Tobacco Retailers (Staff Contact: Jay Lee, Planning Director, 408-586-3077)**

Recommendation: Determine that the ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) and, as a separate and independent basis, exempt pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption); waive the reading beyond the title; and adopt Ordinance No. 38.863 amending the Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 relating to the regulation of tobacco retailers (P-ZA26-0001).

- C13. Authorize the City Manager, or Designee, to Negotiate and Execute an Amendment to the Professional Services Agreement with TDG Engineering, Inc. for the Milpitas Gateway-Main Street Sense of Place Plan (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Jay Lee, Planning Director, 408-586-3077)**

Recommendation: Authorize the City Manager, or designee, to negotiate and execute Amendment No. 3 to the Professional Services Agreement with TDG Engineering, Inc. to add scope of work, increase the not-to-exceed amount by \$100,000 for a revised maximum compensation of \$593,578 (to be fully funded by the grant), and extend the term of the Agreement through December 31, 2027, subject to execution of an amendment to the Master Funding Agreement Supplement with the granting agency, Metropolitan Transportation Commission.

- C14. Authorize the City Manager, or Designee, to Execute a Purchase Order for One Specialty DUI Enforcement Patrol Vehicle Funded by the FY2026-27 California Highway Patrol Cannabis Tax Fund Grant Program (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Jared Hernandez, Chief of Police, 408-586-2406)**

Recommendation: Authorize the City Manager, or designee, to execute a purchase order for one specialty DUI enforcement patrol vehicle, including outfitting and decals, in an amount not to exceed \$98,660, with the vendor determined by the Purchasing Agent in accordance with Milpitas Municipal Code Section I-2-3.06, superseding the vendor-specific purchase order authorization approved by the City Council on August 11, 2026.

- C15. Approve and Authorize the City Manager, or Designee, to Execute a Stormwater Management Facilities Operation and Maintenance Agreement with KLA Corporation for 1 Technology Drive (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)**

Recommendation: Approve and authorize the City Manager, or designee, to execute a Stormwater Management Facilities Operation and Maintenance Agreement between the City of Milpitas and KLA Corporation for 1 and 3 Technology Drive.

- C16. Adopt a Resolution to Accept the Improvements and Authorize the City Engineer to File a Notice of Completion and Issue a Notice of Final Acceptance after the One-Year Warranty for Curtis Recycled Water Line Repair Project – Phase 1 (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)**

Recommendation: Adopt a resolution to accept the improvements for the Curtis Recycled Water Line Repair Project – Phase 1, and authorize the City Engineer to file a Notice of Completion and issue a Notice of Final Acceptance after the one-year warranty.

- C17. Adopt Ordinance No. 232.2 Amending Chapter 3, Backflow Prevention and Cross-Connection Control, of Title VIII of the Milpitas Municipal Code (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)**

Recommendation: Waive the second reading and adopt Ordinance No. 232.2 amending Chapter 3, Backflow Prevention and Cross-Connection Control, of Title VIII of the Milpitas Municipal Code to align and comply with the Cross-Connection Policy Handbook, adopted by the California State Water Resources Control Board.

- C18. Adopt Ordinance No. 240.8 Amending Sections of Chapter 6 of Title VIII of the Milpitas Municipal Code Relating to the Water Shortage Contingency Plan and Permanent Water Waste Restrictions (Staff Contract: Christian Di Renzo, Public Works Director, 408-586-2602)**

Recommendation: Waive the second reading and adopt Ordinance No. 240.8 Amending Sections of Chapter 6 of Title VIII of the Milpitas Municipal Code relating to the Water Shortage Contingency Plan and Permanent Water Waste Restrictions including a ban on watering nonfunctional turf.

- C19. Authorize the Purchasing Agent, or Designee, to Dispose of Surplus Vehicles and Equipment Each Valued at Over \$5,000 and Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with J.J. Kane Associates, Inc. for Auction Services (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Christian Di Renzo, Public Works Director, 408-586-2602)**

Recommendation: Authorize the Purchasing Agent, or designee, to dispose of the 19 surplus vehicles and three pieces of surplus equipment listed in this report, each with an estimated current market value of more than \$5,000, and authorize the City Manager, or designee, to negotiate and execute an agreement with J.J. Kane Associates, Inc. for auction services for the sale of surplus property, for an initial term beginning on the date of contract execution and ending on January 27, 2029, coterminous with Sourcewell Contract No. 111424-JJK, with up to three additional one-year options to extend the agreement through January 27, 2032, to be exercised at the City's sole discretion and contingent on a valid cooperative or other competitively procured contract remaining in effect.

- C20. Consider Fee Waiver Request from Knights of Columbus St. John Council and St. Elizabeth Catholic Church (Staff Contact: Renée Lorentzen, Recreation and Community Services Director, 408-586-3409)**

Recommendation: Approve a fee waiver request of \$342 for the annual Knights of Columbus St. John Council Family Picnic Event on August 15, 2026, and a fee waiver of \$1,115 for the St. Elizabeth Catholic Church Annual Festival on September 26, 2026.

- C21. Approve Milpitas Arts and Culture Grant Requests for a Cultural Menorah Lighting Event and Uganda Culture and Sustainability Event (Staff Contact: Renée Lorentzen, Recreation and Community Services Director, 408-586-3409)**

Recommendation: Approve Milpitas Arts and Culture in-kind grant requests from Dina and Marvin Serber for a Cultural Menorah Lighting Event on December 12, 2026; and from CompassPoint Mentorship for a Uganda Culture and Sustainability Event on September 13, 2026, as unanimously recommended for approval by the Arts Commission on May 18, 2026.

- C22. Authorize Travel Request by Vice Mayor Barbadillo to Attend the League of California Cities 2026 Annual Conference and Expo in Anaheim, CA (Staff Contact: Julie Minot, Senior City Manager Analyst, 408-586-3054)**

Recommendation: Authorize travel by Vice Mayor Barbadillo to attend the League of California Cities 2026 Annual Conference and Expo in Anaheim, CA from September 23-25, 2026, for an estimated total amount of \$2,800, budgeted under the FY2026-27 Individual Elected Official allocation for Conferences/Meetings/Trainings.

PUBLIC HEARINGS

Members of the public may be allotted up to three (3) minutes or less at the Mayor's discretion, to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of ten (10) minutes for opening statements and up to a total of five (5) minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.

- 23. Adopt a Resolution Amending the Schedule of User and Regulatory Fees Adopted by Resolution No. 9516 to Update 161 Fees and Establish Six New Fees, Effective November 2, 2026 (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111)**

Recommendation: Adopt a resolution amending the Schedule of User and Regulatory Fees adopted by Resolution No. 9516 to update 161 fees and establish six new fees, effective November 2, 2026.

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Members of the City Council or City Manager may make brief announcements at this time. Members of the City Council may also suggest future agenda items. For future agenda items, the City Council shall not debate the topic or engage in discussion but shall simply state a “yes” or “no” as whether to move the item forward. If a majority of the City Council agrees to move the item forward, the City Manager shall place the item on a future agenda.

ADJOURNMENT

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions and other City agencies exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and City operations are open to the people's review. For more information on your rights under the Open Government Ordinance or to report a violation, contact the City Attorney's office

at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035

e-mail: cao@milpitas.gov / Phone: 408-586-3040

The Open Government Ordinance is codified in the Milpitas Municipal Code as Title I Chapter 310 and is available online at the City's website www.milpitas.gov by selecting the Milpitas Municipal Code link.

Materials related to an item on this agenda submitted to the City Council after initial distribution of the agenda packet are available for public inspection at the City Clerk's office at Milpitas City Hall, 3rd floor 455 E. Calaveras Blvd., Milpitas and on City website. City Council agendas and related materials can be viewed online: www.milpitas.gov/government/council/agenda_minutes.asp (select meeting date)

APPLY TO SERVE ON A CITY COMMISSION

Commission application forms are available online at www.milpitas.gov or at Milpitas City Hall. Contact the City Clerk's Office at 408-586-3001 for more information.

If you need assistance, per the Americans with Disabilities Act, for any City of Milpitas public meeting, please call the City Clerk at 408-586-3005 or send an e-mail to CityClerk@milpitas.gov prior to the meeting. Larger font agendas are available upon request.



CITY OF MILPITAS SUCCESSOR AGENCY AGENDA REPORT (AR)

Item Title:	Adopt a Resolution of the Board of the Successor Agency to the Redevelopment Agency of the City of Milpitas Confirming and Designating Officers of the Successor Agency (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	8/18/2026
Recommendation:	Adopt a resolution confirming and designating City officials to serve as officers of the Successor Agency to the Redevelopment Agency of the City of Milpitas.

BACKGROUND:

Pursuant to Section 34172(a) of the California Health and Safety Code, the Milpitas Redevelopment Agency was dissolved effective February 1, 2012 and no longer exists as a public body, corporate and politic. On January 4, 2012, the City of Milpitas Housing Authority Commission, the City Council of the City of Milpitas, and the Milpitas Redevelopment Agency Board of Directors adopted Resolution No. HA3/8151/RA428, under which the City Council elected and designated the City of Milpitas to serve as the Successor Agency to the former Redevelopment Agency of the City of Milpitas (Successor Agency) pursuant to Health and Safety Code Section 34173, and the Housing Authority Commission designated the Milpitas Housing Authority as the successor entity responsible for performing the housing functions of the former Redevelopment Agency pursuant to Health and Safety Code Section 34176.

The City Council of the City of Milpitas serves as the governing board of the Successor Agency, and the administrative functions of the Successor Agency are carried out by officials and staff of the City.

ANALYSIS:

The Successor Agency continues to administer the enforceable obligations of the former Redevelopment Agency, including outstanding tax allocation bond obligations and the semiannual Recognized Obligation Payment Schedule process. Third parties – including bond counsel, the municipal advisor, the trustee, and the Santa Clara County Auditor-Controller – require a current record of the individuals authorized to act for the Successor Agency and to execute documents on its behalf.

The proposed resolution confirms and designates the following officers:

Successor Agency Officer	City Officer
Chair of the Board	Mayor
Executive Director	City Manager
Assistant Executive Director	Assistant City Manager
Chief Financial Officer/Treasurer	Finance Director
Secretary	City Clerk
General Counsel	City Attorney

The designations are positional rather than by name, so the resolution remains effective as the individuals holding these City positions change. Section 2 of the resolution authorizes the named officers to carry out their respective duties for and on behalf of the Successor Agency. The resolution takes effect upon adoption.

POLICY ALTERNATIVE(S):

Alternative 1: Do not adopt the resolution.

Pros: None identified.

Cons: The Successor Agency would lack a current, formal record of its officers, which may delay execution of financing documents, certificates, and other instruments requiring authorized officer signatures.

Reason for Not Recommending: Confirming the officers is an administrative action necessary to the orderly conduct of Successor Agency business.

Alternative 2: Adopt the resolution with modified position designations.

Pros: Allows assignment of Successor Agency functions to different City positions.

Cons: Departs from the alignment between Successor Agency roles and the City positions that already perform the corresponding functions.

Reason for Not Recommending: The proposed designations match existing practice and the functional responsibilities of each City position.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Target Date
Successor Agency Board adoption of resolution	August 18, 2026
Resolution effective	Upon adoption

FISCAL IMPACT:

There is no fiscal impact associated with adoption of this resolution. Administrative support for the Successor Agency is provided by existing City staff, and related costs are recovered through the administrative cost allowance included in the Recognized Obligation Payment Schedule.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

- (a) Resolution of the Board of the Successor Agency to the Redevelopment Agency of the City of Milpitas Confirming and Designating Officers of the Successor Agency

RESOLUTION NO. SA__

**A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY OF MILPITAS CONFIRMING AND
DESIGNATING OFFICERS OF THE SUCCESSOR AGENCY**

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code, the Milpitas Redevelopment Agency was dissolved effective February 1, 2012 and no longer exists as a public body, corporate and politic;

WHEREAS, pursuant to Section 34173 of the California Health and Safety Code and Resolution No. HA3/8151/RA428, adopted January 4, 2012 by the City of Milpitas Housing Authority Commission, the City Council of the City of Milpitas, and the Milpitas Redevelopment Agency Board of Directors, the City Council of the City of Milpitas elected and designated the City of Milpitas (the "City") to serve as the Successor Agency to the former Milpitas Redevelopment Agency (the "Successor Agency");

WHEREAS, the City Council of the City serves as the governing board of the Successor Agency, and the administrative functions of the Successor Agency are carried out by certain officials and staff of the City;

WHEREAS, the governing board of the Successor Agency now wishes to confirm and designate certain City officials as officers of the Successor Agency;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Successor Agency to the Former Milpitas Redevelopment Agency, as follows:

1. Officers of the Successor Agency. The Successor Agency hereby confirms and designates the following officials of the City of Milpitas to serve the needs of the Successor Agency in the capacity of the following officers of the Successor Agency:

<u>Successor Agency Officer</u>	<u>City Officer</u>
Chair of the Board	Mayor
Executive Director	City Manager
Assistant Executive Director	Assistant City Manager
Chief Financial Officer/Treasurer	Finance Director
Secretary	City Clerk
General Counsel	City Attorney

2. Authorization. The officers of the Successor Agency named above are authorized to carry out their respective duties for and on behalf of the Successor Agency.

3. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED AND ADOPTED this ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Suzanne Guzzetta
Successor Agency Secretary

Carmen Montano
Successor Agency Chair

APPROVED AS TO FORM:

Christian M. Curtis
Successor Agency General Counsel



SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY AGENDA REPORT (AR)

Item Title:	Adopt a Resolution for the Sale and Issuance of Refunding Bonds for the Successor Agency to the Redevelopment Agency (Staff Contact: Luz Cofresí-Howe, Chief Financial Officer/Treasurer, 408-586-3111)
Category:	Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Adopt a resolution of the Successor Agency Board authorizing the issuance and sale of 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) in a principal amount not to exceed \$40,000,000 to refund the outstanding 2015 Tax Allocation Refunding Bonds; approving the Debt Service Savings Analysis, Indenture of Trust, Bond Purchase Agreement, Irrevocable Refunding Instructions, Continuing Disclosure Certificate, and Preliminary Official Statement; approving an underwriter's discount not to exceed 0.45% and minimum net present value savings of 3.00% of the principal amount of the 2015 Bonds refunded; and authorizing the Executive Director, Assistant Executive Director, or Chief Financial Officer/Treasurer, or designee, to execute related documents and take other actions necessary to complete the financing.

BACKGROUND:

In 2015, the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency") issued its \$127,790,000 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the "2015 Bonds") to refund tax allocation bonds issued in 2003, to achieve debt service savings. As of September 1, 2026, \$37,360,000 of the 2015 Bonds remains outstanding, bearing an average coupon of 5.00%, with a final maturity of September 1, 2032. Principal is front-loaded, with \$9,950,000 maturing September 1, 2027. The Successor Agency Board has taken no prior action on this refunding. Given current interest rates, the 2015 Bonds can now be refunded to achieve additional debt service savings.

Section 34177.5(f) of the California Health and Safety Code (the "Code") provides that the oversight board may direct the Successor Agency to commence proceedings for the issuance of bonds to refund bonds or other indebtedness of its former redevelopment agency as permitted by Section 34177.5(a)(1) of the Code, so long as the Successor Agency is able to recover its related costs in connection with the transaction. Effective July 1, 2018, redevelopment oversight in each county was consolidated into a single Countywide oversight board, and the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County (the "Oversight Board") now serves that role for the Successor Agency. Following adoption of this Resolution, the refunding will be submitted to the Oversight Board for its approval and direction to proceed.

ANALYSIS:

This analysis section of the report includes discussion of the following items: Plan of Finance/Refunding, Bond Sizing (Sale Parameters), Good Faith Estimates, Bond Financing Documents, Financing Team Participants.

Plan of Finance/Refunding

Staff has determined, in consultation with Fieldman, Rolapp & Associates, Inc., the Successor Agency's municipal advisor (the "Municipal Advisor"), that current bond market conditions allow for the issuance of refunding bonds to refinance the outstanding 2015 Bonds and achieve debt service savings. The purpose of the financing is to refinance the outstanding 2015 Bonds and achieve debt service savings.

Based on market conditions as of August 11, 2026, the refunding is estimated to generate net present value savings of approximately \$1,352,582, or 3.62% of the \$37,360,000 principal amount being refunded, with total debt service savings of approximately \$1,473,429 over the remaining life of the bonds. The estimated savings are modestly above the 3.00% minimum threshold; a change in market conditions prior to pricing may cause the refunding to be delayed. These savings are distributed to the City and all other taxing entities as additional property tax revenues.

The estimated savings assume an “AA” underlying rating from S&P Global Ratings and the purchase of a reserve account surety policy. A lower rating or the unavailability of a surety would reduce the estimated savings. The Reserve Requirement will be satisfied by the surety policy rather than cash, and the Successor Agency has no obligation to replace the policy or fund the reserve with cash if the surety provider is downgraded. The estimated savings are preliminary and subject to change based on market conditions at the time of sale.

The Debt Service Savings Analysis as described below provides more detailed analysis on the economics and estimated debt service savings.

The security and source of repayment of the bonds is a pledge of Tax Revenues which is defined in the Indenture as all taxes that were eligible for allocation to the Former Redevelopment Agency with respect to the Project Area and are allocated to the Successor Agency pursuant to State Law. The Tax Revenues are net (paid after) County Administration Fees and AB1290 statutory pass-through payments.

The risk factors related to repayment of the bonds are described in detail in the Preliminary Official Statement and include factors such as the items listed in the table below along with risk mitigation.

Key Risk Factors Related to Repayment of the Bonds*

<u>Risk Factors</u>	<u>Discussion</u>
Failure to timely submit Recognized Obligations Payment Schedule (ROPS) to County Oversight Board	Since commencement of dissolution process, City staff on behalf of the Successor Agency has submitted ROPS in a timely manner
Concentration of Property Ownership	The top two property owners represent 14.7% of incremental value. The Preliminary Official Statement discloses this concentration as a factor that could increase the effect of a reduction in taxable value
Reduction in Taxable Value	Projected Tax Revenues are over 7 times maximum annual debt service on the Bonds, providing significant coverage to bondholders. Tax Revenues declined 4.1% in FY 2025-26 due to elevated roll corrections and appeal refunds, and eight of the ten largest taxpayers have pending assessment appeals
Risks to Real Estate Market	Large, diverse 2,230-acre tax base with balanced land uses and low tax base year values
Loss of Tax-Exemption	Refunding bonds creates low risk since there are no remaining proceeds of the original bond issuance

** Refer to Preliminary Official Statement. RISK FACTORS for more detailed discussion*

Bond Sizing (Sale Parameters)

To authorize the sale of the Refunding Bonds, staff must provide the sale parameters in the Resolution. To provide staff with flexibility in determining the optimal size and timing of the Refunding Bonds while protecting the Successor Agency and the affected taxing entities, staff recommends a not-to-exceed principal amount of \$40.0 million; a not-to-exceed underwriter's discount of 0.45%; a maximum true interest cost of 4.25%; and a minimum net present value savings of 3.00% of the principal amount of the refunded 2015 Bonds. The not-to-exceed amounts have been included in the Resolution to create a reasonable amount of flexibility for the Successor Agency, even though the final principal amount and underwriter's discount are anticipated to be

less. The minimum net present value savings threshold ensures the Refunding Bonds will be sold only if they achieve the required level of debt service savings.

The Resolution authorizes the sale of the Refunding Bonds in whole or, if the savings parameters cannot be met on the whole, in part. If the Refunding Bonds are initially sold in part, the Resolution authorizes the sale of the remaining parts without returning to the Successor Agency Board or the Oversight Board, provided each such sale independently satisfies the savings parameters. In all events, the issuance of the Refunding Bonds remains subject to the debt service savings requirements of Section 34177.5(a)(1) of the California Health and Safety Code. The Successor Agency adopted debt management policies on October 17, 2017, by Resolution No. SA 10. The Refunding Bonds conform to those policies, and the certification required by California Government Code Section 8855(i) will be included in the report of proposed debt issuance filed with the California Debt and Investment Advisory Commission (CDIAC).

Good Faith Estimates

The following good faith estimates with respect to the Refunding Bonds are provided in accordance with California Government Code Section 5852.1. These good faith estimates have been provided by the Municipal Advisor, in consultation with the Underwriter, and are based on assumptions regarding the estimated principal amount of the Refunding Bonds and market interest rates prevailing on August 11, 2026, the date the estimate was prepared, as follows:

- **Principal Amount:** The Municipal Advisor has informed the Successor Agency that, based on the Successor Agency's financing plan and current market conditions, the good faith estimate of the aggregate principal amount of the Refunding Bonds to be sold (the "Estimated Principal Amount") is \$36,455,000.
- **True Interest Cost of the Bonds:** The Municipal Advisor has informed the Successor Agency that its good faith estimate of the true interest cost of the Refunding Bonds, which is the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 3.15%.
- **Finance Charge of the Bonds:** The Municipal Advisor has informed the Successor Agency that its good faith estimate of the finance charge for the Refunding Bonds, which is the sum of all fees and charges paid to third parties, or costs associated with the Refunding Bonds, is \$589,164.32. Such fees and charges include fees for bond and disclosure counsel, municipal advisor, fiscal consultant, trustee, rating agency, reserve surety, printing and underwriting. These fees are all paid for with bond proceeds.
- **Amount of Proceeds to be Received:** The Municipal Advisor has informed the Successor Agency that its good faith estimate of the amount of proceeds expected to be received for the sale of the Refunding Bonds, less the finance charge of the Refunding Bonds as estimated above and any reserve fund or other amounts funded with proceeds of the Refunding Bonds, is \$37,764,733.33.
- **Total Payment Amount:** The Municipal Advisor has informed the Successor Agency that its good faith estimate of the total payment amount, which is the sum of all payments the Successor Agency will make to pay debt service on the Refunding Bonds calculated to the final maturity of the Refunding Bonds, is \$41,494,070.83.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Refunding Bonds issued and sold, the true interest cost, the finance charges, the amount of proceeds received, and the total payment amount may differ from such good faith estimates due to:

1. The actual date of the sale of the Refunding Bonds being different than the date assumed for purposes of such estimates;
2. The actual principal amount of the Refunding Bonds sold being different from the Estimated Principal Amount;
3. The actual amortization of the Refunding Bonds being different than the amortization assumed for purposes of such estimates;
4. The actual market interest rates at the time of sale of the Refunding Bonds being different than those estimated for purposes of such estimates;
5. Other market conditions; or
6. Alterations in the Successor Agency's financing plan, delays in the financing, additional legal work, or

a combination of such factors.

The actual date of sale of the Refunding Bonds and the actual principal amount of Refunding Bonds sold will be determined by the Successor Agency based on market conditions, the debt service savings achieved and other factors. The actual interest rates and amortization of the Refunding Bonds will depend on market interest rates at the time of sale. Market interest rates are affected by economic and other factors beyond the control of the Successor Agency. If market conditions change so that the refunding no longer satisfies the applicable savings requirements, the Successor Agency can decline to proceed with the sale of the Refunding Bonds.

Bond Financing Documents

There are several bond financing documents that require Successor Agency Board approval to proceed with the issuance of the Refunding Bonds. Substantially final versions of these documents are attached to the agenda report. Certain pricing-dependent tables in the Preliminary Official Statement, including the sources and uses of funds, the debt service schedule, and the estimated debt service coverage table, remain to be completed following the sale of the Refunding Bonds.

Below is a general description of the documents that require approval. Staff recommends the Successor Agency's Executive Director (City Manager), Assistant Executive Director (Assistant City Manager), or Chief Financial Officer/Treasurer (Finance Director) (each, an "Authorized Officer") be authorized to execute the agreements on behalf of the Successor Agency as described below. As modifications may be required prior to the closing, staff also recommends that the Authorized Officers each be authorized to execute the final versions of each of these agreements as may be modified upon consultation with appropriate members of the financing team.

Preliminary Official Statement – The Preliminary Official Statement ("POS") describes the Refunding Bonds, the security for the Refunding Bonds, and the Successor Agency, and will be distributed by the Underwriter to prospective investors in connection with the marketing and sale of the Refunding Bonds. Pursuant to the Resolution, the Successor Agency approves the Preliminary Official Statement and authorizes an Authorized Officer to deem it final for purposes of Rule 15c2-12 under the Securities Exchange Act of 1934. The Preliminary Official Statement is attached as Attachment B.

The Preliminary Official Statement has been reviewed and approved for transmittal to the Successor Agency Board by the financing team. The distribution of the Preliminary Official Statement by the Successor Agency is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the Preliminary Official Statement to include all facts that would be material to an investor in the Bonds. Material information is information that there is a substantial likelihood would have actual significance in the deliberations of the reasonable investor when deciding whether to buy or sell the Bonds. If the Successor Agency Board concludes that the Preliminary Official Statement includes all facts that would be material to an investor in the Bonds, it must adopt a resolution that authorizes staff to execute a certificate to the effect that the Preliminary Official Statement has been "deemed final".

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the Successor Agency's compliance with the federal securities laws, has issued guidance as to the duties of the Board with respect to its approval of the Preliminary Official Statement. In its *"Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors"* (Release No. 36761 / January 24, 1996) (the "Release"), the SEC indicated that, if a member of the Board has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the Bonds, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, they should endeavor to discover whether such facts are adequately disclosed in the Preliminary Official Statement. In the Release, the SEC indicated that the steps that a member of the Board could take include becoming familiar with the Preliminary Official Statement and questioning staff and consultants about the disclosure of such facts.

The Successor Agency Board's obligation and steps in reviewing the Preliminary Official Statement are to understand the following elements of the bond issue:

- Purpose of the bond issue
- Documents for Approval
- Security and Sources of repayment of the bonds
- Risks that the sources of repayment may be insufficient to repay the bonds and tax-exempt status of the Bonds
- Discussion of any other facts or events that could affect the deliberations of a reasonable investor

After such review of the documents the following additional elements should be considered:

- Have identified risks, facts and events been brought to the attention of staff, bond counsel and other professionals?
- Have such risks, facts and events been disclosed, and if not, what is the rationale for the non-disclosure?

If any Successor Agency Board member has any personal knowledge that any of the material information in the Official Statements is false or misleading, the Successor Agency Board member must raise these issues prior to approval of the distribution of the Official Statements.

Indenture of Trust – The Indenture of Trust (“Indenture”) is by and between the Successor Agency and U.S. Bank Trust Company, National Association, as Trustee. The Refunding Bonds shall be issued pursuant to the law governing the dissolution of redevelopment agencies and pursuant to the Indenture. The Indenture describes the terms of the Refunding Bonds and contains provisions relating to payment, defeasance, default, and amendment. The Refunding Bonds are not subject to redemption prior to maturity. Pursuant to the Resolution, the Successor Agency authorizes the delivery and performance by the Successor Agency of the Indenture and approves the covenants set forth in the Indenture. The Indenture is attached as Attachment C.

Bond Purchase Agreement – The Bond Purchase Agreement authorizes the Successor Agency to sell the Refunding Bonds to Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Underwriter”). Underwriting services are professional services under Milpitas Municipal Code Section I-2-1.03. Under Section I-2-3.13, a consultant may be engaged without competitive procurement where the governing body approves the engagement, and approval of the Bond Purchase Agreement constitutes that approval. Stifel was selected based on its established working relationship with the City and the Successor Agency and its experience with California tax allocation refundings. The Refunding Bonds will be sold through a negotiated sale rather than a competitive sale, and the underwriter's discount is paid from bond proceeds. The Bond Purchase Agreement outlines the conditions under which the Refunding Bonds will be issued and requires the Successor Agency to make a number of covenants and representations. The Underwriter, in turn, will sell the Refunding Bonds to ultimate investors in the market. The Bond Purchase Agreement is attached as Attachment D.

Irrevocable Refunding Instructions – The Irrevocable Refunding Instructions are from the Successor Agency to U.S. Bank Trust Company, National Association, acting as trustee for the 2015 Bonds (the “Prior Trustee”), and specify the terms and conditions to provide for the payment and redemption (prepayment) of the outstanding 2015 Bonds. The Irrevocable Refunding Instructions are attached as Attachment E.

Continuing Disclosure Certificate – To satisfy the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, the Successor Agency will enter into a Continuing Disclosure Certificate for the benefit of the owners of the Refunding Bonds, under which the Successor Agency will covenant to provide certain annual financial information and operating data and to provide notices of the occurrence of certain enumerated events. The form of the Continuing Disclosure Certificate is Appendix D to the attached Preliminary Official Statement (Attachment B).

Debt Service Savings Analysis – The Debt Service Savings Analysis has been prepared by the Municipal Advisor and demonstrates the debt service savings that will result from the issuance of the Refunding Bonds and confirms compliance with the savings requirements of Section 34177.5(a)(1) of the Code. The Debt Service Savings Analysis is approved by the Resolution, will be provided to the Oversight Board and the California Department of Finance in connection with their review of the refunding, and is attached as Attachment F and attached to the Successor Agency Resolution.

The Resolution further authorizes the Authorized Officers to execute the closing documents and take other actions necessary to issue the Refunding Bonds.

Financing Team Participants

The financing team consists of:

Successor Agency's Municipal Advisor	Fieldman, Rolapp & Associates, Inc.
Bond Counsel/Disclosure Counsel	Jones Hall LLP
Fiscal Consultant	Keyser Marston Associates, Inc.
Underwriter	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel	Stradling Yocca Carlson & Rauth, LLP
Trustee	U.S. Bank Trust Company, National Association

All costs associated with the refunding will be paid from the proceeds of the bond sale and are taken into account when calculating the debt service savings.

POLICY ALTERNATIVE(S):

Alternative 1: Do not adopt the Resolution

Pros: None identified. The refunding has no cost to the Successor Agency or the City and generates debt service savings distributed to all affected taxing entities.

Cons: The affected taxing entities, including the City, would forgo an estimated \$1,473,429 in debt service savings, and the City would forgo an estimated \$240,000 in additional property tax revenues through 2032.

Reason for Not Recommending: The refunding produces savings at no cost to the Successor Agency and satisfies the savings requirements of Section 34177.5(a)(1) of the Code.

PROJECT SCHEDULE/KEY MILESTONES

The Successor Agency's Board adoption of the resolution is the first step in the process to refund the 2015 Bonds. It is anticipated that the refunding will take approximately 3 months to complete. The key milestones to complete the refunding are estimated below:

<u>KEY MILESTONES</u>	<u>DATE(S)</u>
• Successor Agency approving resolution authorizing the refunding and the related financing documents, including the Indenture, the Bond Purchase Agreement and the Preliminary Official Statement	September 1, 2026
• Oversight Board approval of the Successor Agency's action	September 25, 2026
• Submission of the bond documents to the California Department of Finance for approval	September 28, 2026
• California Department of Finance approval (subject to a review period of up to 60 days) *	October 2026
• Secure underlying credit rating from S&P Global Ratings and reserve fund surety	October 2026
• Negotiated sale (pricing) of the Refunding Bonds	October 2026
• Bond closing and redemption (prepayment) of the outstanding 2015 Bonds; if the Department of Finance extends its review, the pricing and closing dates will shift accordingly	November 19, 2026 (estimated)
<i>*Assuming earlier closing date based on DOF responding earlier than the 60-day statutory timeline.</i>	

Two filings with the California Debt and Investment Advisory Commission are required and are not shown above. The report of proposed debt issuance must be filed no later than 30 days before the sale date, and the report of final sale must be filed within 21 days after closing. The Refunding Bonds will also be included in the Successor Agency's annual debt transparency report.

Approval of the attached Resolution (Attachment A) will authorize the issuance of the Refunding Bonds to refund the outstanding 2015 Bonds, in accordance with the requirements of Section 34177.5(a)(1) of the Code

to achieve debt service savings, so long as those requirements are satisfied upon the issuance of the Refunding Bonds.

FISCAL IMPACT:

As shown in the Debt Service Savings Analysis prepared by the Municipal Advisor and attached as Attachment F, the refinancing of the outstanding 2015 Bonds is estimated to generate net present value savings of approximately \$1,352,582, or 3.62% of the \$37,360,000 principal amount refunded, over the remaining life of the indebtedness. Total debt service savings are estimated at approximately \$1,473,429, and the final maturity of the bonds remains September 1, 2032. The term of the Refunding Bonds is the same as the remaining term of the currently outstanding 2015 Bonds and will not be extended. These savings are net of the costs of issuance and Underwriter's discount.

The costs of issuance cover the fees of the Municipal Advisor, bond and disclosure counsel, fiscal consultant, rating agency, trustee, reserve surety, and other miscellaneous costs. Costs of issuance are payable from bond proceeds and are incurred only if the Refunding Bonds close, except for the fiscal consultant and rating agency fees, which are incurred regardless. If the Refunding Bonds do not close, those fees are eligible for inclusion on a future Recognized Obligation Payment Schedule ("ROPS") under AB 1484. The estimated savings are preliminary and subject to change based on market conditions at the time of sale.

Additionally, the City will receive \$50,000 as an administrative fee to cover staff time associated with facilitating the refunding. Savings are distributed among 15 affected taxing entities in proportion to their shares of the redevelopment property tax trust fund. The City of Milpitas is estimated to receive \$40,029 annually, or approximately \$240,000 in total, over six annual distributions beginning September 1, 2027. Milpitas Unified School District is the largest beneficiary at an estimated \$90,618 annually, or approximately \$544,000 in total. There is no General Fund cost associated with this action; all costs of the refunding are paid from bond proceeds.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

- (a) Resolution of the Successor Agency
- (b) Preliminary Official Statement (including the form of Continuing Disclosure Certificate)
- (c) Indenture
- (d) Bond Purchase Agreement
- (e) Irrevocable Refunding Instructions
- (f) Debt Service Savings Analysis

RESOLUTION NO. SA ____

A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF MILPITAS APPROVING THE ISSUANCE AND SALE OF ITS 2026 TAX ALLOCATION REFUNDING BONDS (REDEVELOPMENT PROJECT AREA NO. 1) IN A PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000; APPROVING A DEBT SERVICE SAVINGS ANALYSIS, AN INDENTURE OF TRUST, IRREVOCABLE REFUNDING INSTRUCTIONS, A BOND PURCHASE AGREEMENT, AND A PRELIMINARY OFFICIAL STATEMENT; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (the Community Redevelopment Law, together with Part 1.85 of Division 24 of the California Health and Safety Code, the “Law”; unless otherwise noted, all Section references hereinafter being to such Code), the Milpitas Redevelopment Agency (the “Former Agency”) has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Successor Agency to the Former Milpitas Redevelopment Agency (the “Successor Agency”) has become the successor entity to the Former Agency;

WHEREAS, the Successor Agency has previously issued its \$127,790,000 aggregate principal amount of Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “2015 Bonds”) to provide funds to refund bonds issued by the Former Agency in 2003;

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the “Savings Parameters”);

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “Refunding Bonds”), the Successor Agency has caused its municipal advisor, Fieldman, Rolapp & Associates, Inc. (the “Municipal Advisor”), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to refund the 2015 Bonds (the “Debt Service Savings Analysis”);

WHEREAS, the Successor Agency desires at this time to approve the issuance of the Refunding Bonds and to approve the form of and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee, providing for the issuance of the Refunding Bonds (the “Indenture”), the Irrevocable Refunding Instructions to be delivered to U.S. Bank Trust Company, National Association, as trustee of the 2015 Bonds, to be dated as of the date of the issuance and delivery of the Refunding Bonds (the “2015 Refunding Instructions”);

WHEREAS, the Successor Agency has determined to sell the Refunding Bonds, in one or more series, to Stifel, Nicolaus & Company, Incorporated, as underwriter (the “Original Purchaser”), pursuant to the terms of a Bond Purchase Agreement (the “Purchase Agreement”) to be entered into by the Successor Agency and the Original Purchaser;

WHEREAS, pursuant to Section 34179(j), effective July 1, 2018, the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County (the “Oversight Board”) has been established, and will be requested to approve the issuance of the Refunding Bonds hereafter;

WHEREAS, the Successor Agency has, with the assistance of its bond counsel and disclosure counsel, Jones Hall LLP (“Disclosure Counsel”), its Municipal Advisor and its fiscal consultant, Keyser Marston Associates, Inc. (the “Fiscal Consultant”), caused to be prepared a form of Official Statement for the Refunding Bonds

describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which has been submitted to the Successor Agency for approval for distribution by the Original Purchaser, as underwriter of the Refunding Bonds, to persons and institutions interested in purchasing the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Successor Agency to the Redevelopment Agency of the City of Milpitas, as follows:

1. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to affected taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund and defease the 2015 Bonds, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency and attached hereto as Exhibit A, which Debt Service Savings Analysis is hereby approved.

2. Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under the Law and the Refunding Law in the aggregate principal amount of not to exceed \$40,000,000; provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery and that the true interest cost of the Refunding Bonds does not exceed 4.25%.

3. Approval of Indenture. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Executive Director, Assistant Executive Director or the Chief Financial Officer/Treasurer of the Successor Agency (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Successor Agency Secretary is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

4. Approval of Refunding Instructions. The form of the 2015 Refunding Instructions on file with the Successor Agency are hereby approved and the Authorized Officers are, each acting alone, hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver the 2015 Refunding Instructions. The Successor Agency hereby authorizes the delivery and performance of its obligations under the 2015 Refunding Instructions.

5. Filing of Debt Service Savings Analysis and Resolution. The Successor Agency is hereby directed to provide a final copy of this Resolution and the Debt Service Savings Analysis to the Oversight Board. The Successor Agency is hereby further authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, as provided in Section 34180(j), with the Santa Clara County Administrative Officer, the Santa Clara County Auditor-Controller and the California Department of Finance.

6. Sale of Refunding Bonds. The Successor Agency hereby approves the Bond Purchase Agreement to be entered into with the Original Purchaser providing the following requirements are met: the aggregate principal amount of the Refunding Bonds shall not be in excess of \$40,000,000, the underwriter's discount shall not be in excess of 0.45%, the true interest cost shall not be in excess of 4.25%, and the net present value savings shall be at least 3.00% of the aggregate principal amount of the 2015 Bonds refunded. The Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement.

7. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the 2015 Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the further approval of the Successor Agency or the Oversight Board, provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

8. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy for the Refunding Bonds and/or reserve account surety bond for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor and the Original Purchaser, that such municipal bond insurance policy and/or surety bond will reduce the true interest cost with respect to the Refunding Bonds.

9. Approval of Official Statement. The Successor Agency hereby approves the preliminary Official Statement in substantially the form on file with the Successor Agency. Distribution of the preliminary Official Statement by the Successor Agency and the Original Purchaser is hereby approved, and, prior to the distribution of the preliminary Official Statement, an Authorized Officer, acting alone, is authorized and directed, on behalf of the Successor Agency, to deem the preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”). The execution of the final Official Statement, which shall include such changes and additions thereto deemed advisable by any Authorized Officer executing the same, and such information permitted to be excluded from the preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds, and the Authorized Officers, each acting alone, are authorized and directed to execute and deliver the final Official Statement for and on behalf of the Successor Agency, to deliver to the Original Purchaser a certificate with respect to the information set forth therein and to execute and deliver the Continuing Disclosure Certificate, the form of which is appended to the Preliminary Official Statement and is hereby approved.

10. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approval by the California Department of Finance, and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

11. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED AND ADOPTED this ____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Suzanne Guzzetta
Successor Agency Secretary

Carmen Montano
Successor Agency Chair

APPROVED AS TO FORM:

Christian M. Curtis
City Attorney/General Counsel

Exhibit A – Debt Service Savings Analysis

Exhibit A

Debt Service Savings Analysis

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2026**NEW ISSUE—BOOK-ENTRY****RATING (S&P): “_____”
See “RATING”**

In the opinion of Jones Hall LLP, as Bond Counsel, subject, however to certain qualifications described in this Official Statement, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. In the further opinion of Bond Counsel, such interest on the Bonds is exempt from California personal income taxes. See “TAX MATTERS.”

\$ _____ *

**SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BONDS
(REDEVELOPMENT PROJECT AREA NO. 1)**

Dated: Delivery Date**Due: September 1, as shown on the inside front cover**

Purpose of the Bonds. The above captioned bonds (the “Bonds”) are being issued by the Successor Agency to the Former Milpitas Redevelopment Agency (the “Successor Agency”) to (i) refund bonds issued by the Successor Agency in 2015, and (ii) pay the costs of issuing the Bonds, including the premium for a debt service reserve insurance policy.

Book-Entry. The Bonds will be delivered as fully registered bonds, registered in the name of Cede & Co. as nominee of The Depository Trust Company (“DTC”), and will be available to ultimate purchasers (“Beneficial Owners”) in the denomination of \$5,000 or any integral multiple thereof, under the book-entry system maintained by DTC. Beneficial Owners will not be entitled to receive delivery of bonds representing their ownership interest in the Bonds.

Payments. Annual principal of, premium if any, and semiannual interest on the Bonds due March 1 and September 1 of each year, commencing March 1, 2027, will be payable by U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), to DTC for subsequent disbursement to DTC participants, so long as DTC or its nominee remains the registered owner of the Bonds. See “THE BONDS.”

No Redemption. The Bonds are not subject to redemption prior to maturity. See “THE BONDS – No Redemption.”

Security for the Bonds; Reserve Policy. The Bonds are payable from and secured primarily by a pledge of Tax Revenues (as described herein) allocable to the Successor Agency from the Project Area (described herein), as well as moneys in certain funds and accounts established under the Indenture of Trust, dated as of _____ 1, 2026 (the “Indenture”), including a debt service reserve account. See “SECURITY FOR THE BONDS.”

Limited Obligations. The Bonds are special obligations of the Successor Agency and are secured by an irrevocable pledge of, and are payable as to principal, interest and premium, if any, from Tax Revenues and other funds described in this Official Statement. The Bonds, interest and premium, if any, thereon are not a debt of the City of Milpitas (the “City”), the County of Santa Clara (the “County”), the State of California (the “State”) or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State or any of their political subdivisions except the Successor Agency is liable thereon. The Bonds, interest thereon and premium, if any, are not payable out of any funds or properties other than those set forth in the Indenture. None of the members of the Successor Agency, the Oversight Board, the County Board of Supervisors or any persons executing the Bonds are liable personally on the Bonds.

This cover page of the Official Statement contains information for quick reference only. It is not a complete summary of the Bonds. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. Attention is hereby directed to certain risk factors more fully described in this Official Statement. See “RISK FACTORS.”

The Bonds are offered, when, as and if issued, subject to the approval of Jones Hall LLP, San Mateo, as Bond Counsel to the Successor Agency. Jones Hall LLP is also serving as Disclosure Counsel to the Successor Agency. In addition, certain legal matters will be passed upon for the Successor Agency by the City Attorney of the City, as Successor Agency general counsel. Certain legal matters will be passed on for the Underwriter by Stradling Yocca Carlson & Rauth LLP, as Underwriter’s Counsel. It is anticipated that the Bonds will be available for delivery through the facilities of DTC on or about _____, 2026.

STIFEL

The date of this Official Statement is _____, 2026.

* Preliminary; subject to change.

MATURITY SCHEDULE

\$ _____
SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BONDS
(REDEVELOPMENT PROJECT AREA NO. 1)

<u>Maturity Date</u> <u>(September 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP†</u> <u>(Base _____)</u>

† Copyright 2026, CUSIP Global Services, and a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, which is managed on behalf of American Bankers Association by S&P Capital IQ. Neither the Successor Agency nor the Underwriter assume any responsibility for the accuracy of the CUSIP data.

**SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
(SANTA CLARA COUNTY, CALIFORNIA)**

CITY COUNCIL/SUCCESSOR AGENCY BOARD

Mayor Carmen Montano, *Mayor*
Garry Barbadillo, Esq., *Vice-Mayor*
Evelyn Chua, *Council Member*
Hon Lien, *Council Member*
William Lam, *Council Member*

CITY/SUCCESSOR AGENCY STAFF

Willie Hopkins, *City Manager*
Luz Cofresí-Howe, *Finance Director*
Suzanne Guzzetta, *City Clerk*
Christian M. Curtis, *City Attorney*

SPECIAL SERVICES

Municipal Advisor

Fieldman, Rolapp & Associates, Inc.
Irvine, California

Bond and Disclosure Counsel

Jones Hall LLP
San Mateo, California

Fiscal Consultant

Keyser Marston Associates, Inc.
Berkeley, California

Trustee

U.S. Bank Trust Company, National Association
San Francisco, California

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GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No dealer, broker, salesperson or other person has been authorized to give any information or to make any representations with respect to the Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the Successor Agency or the Project Area since the date of this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the Bonds referred to in this Official Statement and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

The Underwriter has provided the following sentence for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Document References and Summaries. All references to and summaries of the Indenture or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Estimates and Projections. Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE SUCCESSOR AGENCY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR.

Website. The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

OFFICIAL STATEMENT

\$ _____ *

SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY 2026 TAX ALLOCATION REFUNDING BONDS (REDEVELOPMENT PROJECT AREA NO. 1)

This Official Statement, including the cover page and appendices attached hereto, is provided to furnish information in connection with the sale by the Successor Agency to the Former Milpitas Redevelopment Agency (the “**Successor Agency**”) of the captioned bonds (the “**Bonds**”).

INTRODUCTION

This introduction is not a summary of this Official Statement. It is only a brief description and guide to, and is qualified by, the more complete and detailed information contained in the entire Official Statement including the cover page and the appendices, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Bonds to potential investors is made only by means of the entire Official Statement.

Authority and Use of Proceeds

The Successor Agency is issuing the Bonds pursuant to authority granted by Part 1 (commencing with Section 33000) and Part 1.85 of Division 24 (commencing with Section 34170) of the California Health and Safety Code (the “**Law**”), Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California, and an Indenture of Trust dated as of _____ 1, 2026 (the “**Indenture**”) by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the “**Trustee**”). See “THE BONDS – Authority for Issuance.”

The Successor Agency is issuing the Bonds to refund, in full, its outstanding Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “**Prior Bonds**”). Proceeds of the Bonds will also be used to pay the costs of issuing the Bonds, including the premium for a debt service reserve insurance policy, as described below.

The Successor Agency, the City and the County

The Successor Agency. The Successor Agency is the successor entity to the former Milpitas Redevelopment Agency (“**Former Agency**”), which was dissolved under the Dissolution Act (defined herein). Pursuant to Section 34173 of the Law, the City acts as the Successor

* Preliminary; subject to change.

Agency to the Former Agency. The City Council of the City (the “**City Council**”) was the legislative body of the Former Agency and is the governing board of the Successor Agency.

The City and the County. The City of Milpitas (the “**City**”) is located in the County of Santa Clara (the “**County**”). The City covers 13.63 square miles and is located 45 miles south of San Francisco, and is adjacent to the City of San José in the northern part of the County. The City’s estimated population at January 1, 2026 was approximately 82,107. The City was incorporated in 1954 as a general law city. It is administered by a Council-Manager form of government. For additional demographic and statistical information regarding the City and the County, see “APPENDIX B – GENERAL INFORMATION ABOUT THE CITY OF MILPITAS AND THE COUNTY OF SANTA CLARA.”

The Redevelopment Plan and the Project Area

Redevelopment Plan. The City Council established Project Area No. 1 (the “**Original Area**”) and approved the Preliminary Plan for Project Area No. 1 (the “**Original Redevelopment Plan**”) pursuant to Ordinance No. 192, adopted on September 21, 1976. Since its adoption, the Original Redevelopment Plan has been amended several times, including, in 2003, when it was amended and restated by the Amended and Restated Redevelopment Plan for the Milpitas Redevelopment Project Area No. 1 (the “**Amended and Restated Redevelopment Plan**”) approved by the City Council on June 17, 2003 pursuant to Ordinance No. 192.14. The Amended and Restated Redevelopment Plan has been amended several times since its adoption and, as so amended, is referred to in this Official Statement as the “**Redevelopment Plan**”).

In 1993, the City Council established the Former Agency’s second redevelopment project area, the Great Mall Redevelopment Project (the “**Great Mall Project Area**”) and approved the Redevelopment Plan for the Great Mall Redevelopment Project (as amended from time to time, the “**Great Mall Redevelopment Plan**”) pursuant to Ordinance No. 192.8, adopted on November 3, 1993. The Great Mall Redevelopment Plan does not provide for the use of tax increment revenues to finance redevelopment activities within the Great Mall Project Area and therefore does not generate any tax increment revenues.

In 2006, the Amended and Restated Redevelopment Plan was amended to merge the Project Area (as defined below) with the Great Mall Project Area to permit tax increment revenues from the Project Area to be used for redevelopment activities in the Great Mall Project Area. The Project Area and the Great Mall Project Area retained separate redevelopment plans after the merger. As discussed more fully in the sections of this Official Statement entitled, “SECURITY FOR THE BONDS,” because the Great Mall Project Area does not generate tax increment revenue, the discussion in this Official Statement regarding the Former Agency’s project areas and related redevelopment plans is limited to the Project Area.

Project Area. The Original Area of the Project Area is composed of approximately 577 acres of land. In 1979, the Original Area was amended to add approximately 483 acres (the “**First Amendment Area**”). In 1982, the Original Area was further amended to add approximately 479 acres (the “**Second Amendment Area**”). In 2003, the Original Area was further amended to add approximately 691 acres (the “**Midtown Area**” and together with the Original Area, the First Amendment Area and the Second Amendment Area, the “**Project Area**”) thereby resulting in a total of approximately 2,230 acres within the Project Area. The Project Area includes low-density and medium-density residential, industrial, commercial and public land uses and encompasses the City’s downtown core. The Project Area also includes 245

acres out of 437 acres within the City designated for medium to high-density development pursuant to the City's Transit Area Specific Plan, which was adopted in 2008. The City's Milpitas Metro Specific Plan was adopted in 2023 as an update to the Transit Area Specific Plan, to continue the transformation of the area into a vibrant, connected, transit-oriented neighborhood and to provide additional housing and amenities such as parks, retail stores and restaurants to the City's residents. Development is anticipated to occur in areas adjacent to the Milpitas BART train station, which opened in 2020, and two Santa Clara Valley Transportation Authority ("VTA") light rail stations.

Tax Allocation Financing

Prior to the Dissolution Act, the Law authorized the financing of redevelopment projects through the use of tax increment revenues, and the Santa Clara County Auditor-Controller (the "**County Auditor-Controller**") apportioned tax increment revenue to all redevelopment agencies. Such incremental tax revenues allocated to a redevelopment agency were authorized to be pledged to the payment of redevelopment agency obligations. The Dissolution Act authorizes each successor agency to issue refunding bonds secured by a pledge of, and lien on, the revenues that were pledged to the bond or other indebtedness being refunded as well as moneys deposited from time to time in the Redevelopment Property Tax Trust Fund (defined below) established by the county auditor-controller for the successor agency by the Dissolution Act.

Under the Dissolution Act, property tax revenues are allocated to the Successor Agency on a semi-annual basis (on January 2 and June 1) based on a Recognized Obligation Payment Schedule submitted by the Successor Agency to an oversight board established for the County (the "**Oversight Board**") and the State Department of Finance (the "**DOF**"). The County Auditor-Controller distributes funds from the Redevelopment Property Tax Trust Fund for each six-month period in the order specified in the Dissolution Act. See "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules."

Successor agencies have no power to levy property taxes and must rely on the allocation of taxes as described above. See "RISK FACTORS."

Security for the Bonds

The Bonds are secured by, and payable from, the Tax Revenues, moneys in certain funds and accounts held by the Trustee under the Indenture and any other moneys deposited from time to time in the Redevelopment Property Tax Trust Fund (as defined below) pursuant to the pledge and lien created with respect to the Bonds by Section 34177.5(g) of the Law. The term "**Tax Revenues**" is defined under the Indenture as all taxes that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and that are deposited in the Redevelopment Property Tax Trust Fund for transfer to the Successor Agency for deposit into the Redevelopment Obligation Retirement Fund, excluding therefrom the administration charge of the County and all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the Bonds. The Successor Agency has not subordinated any pass-through payment obligations and therefore such amounts are excluded from Tax Revenues pledged to the Bonds.

The Dissolution Act requires the County Auditor-Controller to annually determine the amount of property taxes that would have been allocated to the Former Agency from the Project Area had the Former Agency not been dissolved pursuant to the operation of the Dissolution Act, using current assessed values on the last equalized roll, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller (the **"Redevelopment Property Tax Trust Fund"**) pursuant to the Dissolution Act.

Reserve Policy

The Indenture requires that the Trustee deposit into the "Reserve Account" of the Debt Service Fund, the Reserve Requirement (defined herein) for the Bonds, which shall be satisfied by the delivery of a reserve fund insurance policy (the **"Reserve Policy"**) by _____ (the **"Reserve Insurer"**) on the Closing Date. The Successor Agency will have no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the Bonds are Outstanding, any rating assigned to the Reserve Insurer is downgraded, suspended or withdrawn or amounts are not available under the Reserve Policy, other than in connection with a draw on the Reserve Policy.

Limited Obligation

The Bonds are special limited obligations of the Successor Agency secured by, and are payable from, the Tax Revenues and the other amounts described in the Indenture. The Bonds are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State nor any of their political subdivisions (except the Successor Agency) are liable thereon. The Bonds are not payable out of any funds or properties other than those set forth in the Indenture. No member, officer, agent, or employee of the City, the Successor Agency, the Oversight Board, the County Board of Supervisors or any person executing the Bonds is liable personally on the Bonds by reason of their issuance.

Further Information

Brief descriptions of the Law, the Bonds, the Indenture, the Successor Agency, the Former Agency, the Project Area and the City are included in this Official Statement. Such descriptions and information do not purport to be comprehensive or definitive, and are qualified in their entirety by reference to such documents and laws. References in this Official Statement to the Bonds are qualified in their entirety by the form included in the Indenture and by the provisions of the Indenture. Capitalized terms used in this Official Statement and not otherwise defined shall have the meanings given to such terms as set forth in the Indenture.

During the period of the initial offering of the Bonds, copies of the draft forms of all documents are available from the Underwriter or from the City Clerk, City of Milpitas, 455 East Calaveras Boulevard, Milpitas, California 95035.

REFUNDING PLAN

General

The Bonds are being issued to refund, in full, the Prior Bonds. The Prior Bonds were originally issued in the principal amount of \$127,790,000 and remain outstanding in the amount of \$37,360,000. The proceeds of the Prior Bonds were used to refinance a prior series of bonds issued by the Former Agency in 2003.

Pursuant to the Irrevocable Refunding Instructions (the “**Refunding Instructions**”), by and between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee of the Prior Bonds (in such capacity, the “**Prior Bonds Trustee**”), the Successor Agency will deliver a portion of the proceeds of the Bonds, along with other available amounts, to the Prior Bonds Trustee for deposit in a refunding account established under the Refunding Instructions (the “**Refunding Fund**”). From the moneys on deposit in the Refunding Fund, the Prior Bonds Trustee will pay, on or about the date the Bonds are issued, the outstanding principal amount of the Prior Bonds and the accrued interest on the Prior Bonds to the redemption date, without premium.

The amounts held by the Prior Bonds Trustee for redemption of the Prior Bonds are irrevocably pledged solely to the amounts needed to redeem the Prior Bonds. Neither the amount deposited nor interest on the deposited funds, if any, will be available for the payment of debt service on the Bonds.

Estimated Sources and Uses of Funds

The estimated sources and uses of funds are summarized below.

	<u>Amount</u>
<u>Sources:</u>	
Principal Amount of Bonds	
Plus/Less: [Net] Original Issue Premium/Discount	
Plus: Prior Bonds – Available Funds	
Total Sources	
<u>Uses:</u>	
Redemption of Prior Bonds	
Costs of Issuance ⁽¹⁾	
Total Uses	

(1) Costs of Issuance include fees and expenses for Bond Counsel, Disclosure Counsel, Municipal Advisor, Fiscal Consultant, Trustee, Underwriter's discount, premium for the Reserve Policy, printing expenses, rating fee, and other costs related to the issuance of the Bonds.

Debt Service Schedule

The following table shows the annual debt service schedule for the Bonds.

Bond Year Ending September 1	Principal	Interest	Total Debt Service
2027			
2028			
2029			
2030			
2031			
2032			
Total			

Source: Underwriter.

THE BONDS

Authority for Issuance

The issuance of the Bonds and the execution and delivery of the Indenture were authorized by the Successor Agency pursuant to a resolution adopted on [September 1], 2026 (the “**Resolution**”), and approved by the Oversight Board pursuant to a resolution adopted on [September 25], 2026 (the “**Oversight Board Resolution**”).

Pursuant to the Dissolution Act, written notice of the Oversight Board Resolution was provided to the DOF. On _____, 2026, the DOF provided a letter to the Successor Agency stating that based on the DOF’s review and application of the law, the Oversight Board Resolution approving the Bonds is approved by the DOF.

Section 34177.5(f) of the Law provides that when, as here, a successor agency issues refunding bonds with the approval of the oversight board and the DOF, the oversight board may not unilaterally approve any amendments to or early termination of the bonds, and the scheduled payments on the bonds shall be listed in the Recognized Obligation Payment Schedule and are not subject to further review and approval by the DOF or the California State Controller.

Description of the Bonds

The Bonds will be issued and delivered in fully-registered form without coupons in the denomination of \$5,000 or any integral multiple thereof for each maturity, initially in the name of Cede & Co., as nominee for The Depository Trust Company (“**DTC**”), as registered owner of all Bonds. The initially executed and delivered Bonds will be dated the date of delivery (the “**Closing Date**”) and mature on September 1 in the years and in the amounts shown on the inside cover page of this Official Statement.

Interest on the Bonds will be calculated on the basis of a 360-day year of twelve 30-day months at the rates shown on the inside cover page of this Official Statement, payable semiannually on March 1 and September 1 in each year, commencing on March 1, 2027 (each, an “**Interest Payment Date**”), by check mailed to the registered owners thereof or upon the request of the Owners of \$1,000,000 or more in principal amount of Bonds, by wire transfer to an account in the United States which shall be designated in written instructions by such Owner to the Trustee on or before the Record Date preceding the Interest Payment Date. “Record Date” as defined in the Indenture means, with respect to any Interest Payment Date, the close of business on the 15th calendar day of the month preceding such Interest Payment Date, whether or not such 15th calendar day is a Business Day.

One fully-registered bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX G – BOOK-ENTRY ONLY SYSTEM.”

No Redemption

The Bonds are not subject to redemption prior to maturity.

THE DISSOLUTION ACT

On June 29, 2011, Assembly Bill No. 26 (“**AB 1X 26**”) was enacted together with a companion bill, Assembly Bill No. 27 (“**AB 1X 27**”). The provisions of AB 1X 26 provided for the dissolution of all redevelopment agencies statewide as of February 1, 2012. The provisions of AB 1X 27 permitted redevelopment agencies to avoid such dissolution by the payment of certain amounts. A lawsuit was brought in the California Supreme Court, *California Redevelopment Association, et al., v. Matosantos, et al.*, 53 Cal. 4th 231 (Cal. Dec. 29, 2011), challenging the constitutionality of AB 1X 26 and AB 1X 27. The California Supreme Court largely upheld AB 1X 26, invalidated AB 1X 27, and held that AB 1X 26 may be severed from AB 1X 27 and enforced independently. As a result of AB 1X 26 and the decision of the California Supreme Court in the California Redevelopment Association case, as of February 1, 2012, all redevelopment agencies in the State were dissolved, including the Former Agency, and successor agencies were designated as successor entities to the former redevelopment agencies to expeditiously wind down the affairs of the former redevelopment agencies.

The primary provisions enacted by AB 1X 26 relating to the dissolution and wind down of former redevelopment agency affairs are found in Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State, as amended on June 27, 2012 by Assembly Bill No. 1484 (“**AB 1484**”), enacted as Chapter 26, Statutes of 2012, and as further amended on September 22, 2015 by Senate Bill No. 107 (“**SB 107**”), enacted as Chapter 325, Statutes of 2015 (as amended from time to time, the “**Dissolution Act**”).

The Dissolution Act requires the County Auditor-Controller to determine the amount of property taxes that would have been allocated to the Former Agency (pursuant to subdivision (b) of Section 16 of Article XVI of the State Constitution) had the Former Agency not been dissolved pursuant to the operation of the Dissolution Act, using current assessed values on the last equalized roll on August 20, and to deposit that amount in the Redevelopment Property Tax Trust Fund for the Successor Agency established and held by the County Auditor-Controller pursuant to the Dissolution Act.

The Dissolution Act provides that any bonds authorized thereunder to be issued by the Successor Agency will be considered indebtedness incurred by the Former Agency, with the same lien priority and legal effect as if the bonds had been issued prior to the effective date of the Dissolution Act, in full conformity with the applicable provisions of the Law that existed prior to that date, and will be included in the Successor Agency’s Recognized Obligation Payment Schedule (see “SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules”).

The Dissolution Act further provides that bonds authorized by the Dissolution Act to be issued by the Successor Agency will be secured by a pledge of, and lien on, and will be repaid from moneys deposited from time to time in the Redevelopment Property Tax Trust Fund, and that property tax revenues pledged to any bonds authorized to be issued by the Successor Agency under the Dissolution Act, including the Bonds, are taxes allocated to the Successor Agency pursuant to subdivision (b) of Section 33670 of the Law and Section 16 of Article XVI of the State Constitution.

Pursuant to subdivision (b) of Section 33670 of the Law and Section 16 of Article XVI of the State Constitution and as provided in the Redevelopment Plan for the project area, taxes levied upon taxable property in the Project Area each year by or for the benefit of the State, any city, county, city and county, district, or other public corporation (herein sometimes collectively

called “**taxing agencies**”) after the effective date of the ordinance approving the applicable Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the applicable Redevelopment Plan that added territory to the Project Area, as applicable, are to be divided as follows:

(a) To Taxing Agencies: That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the Project Area as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency last equalized prior to the effective date of the ordinance adopting the applicable Redevelopment Plan, or the respective effective dates of ordinances approving amendments to the applicable Redevelopment Plan that added territory to the Project Area, as applicable (each, a “**base year valuation**”), will be allocated to, and when collected will be paid into, the funds of the respective taxing agencies as taxes by or for the taxing agencies on all other property are paid; and

(b) To the Former Agency/Successor Agency: Except for that portion of the taxes in excess of the amount identified in (a) above which are attributable to a tax rate levied by a taxing agency for the purpose of producing revenues in an amount sufficient to make annual repayments of the principal of, and the interest on, any bonded indebtedness approved by the voters of the taxing agency on or after January 1, 1989 for the acquisition or improvement of real property, which portion shall be allocated to, and when collected shall be paid into, the fund of that taxing agency, that portion of the levied taxes each year in excess of such amount, annually allocated within limitations established by the applicable Redevelopment Plan, following the date of issuance of the Bonds, when collected will be paid into a special fund of the Successor Agency. Section 34172 of the Dissolution Act provides that, for purposes of Section 16 of Article XVI of the State Constitution, the Redevelopment Property Tax Trust Fund shall be deemed to be a special fund of the Successor Agency to pay the debt service on indebtedness incurred by the Former Agency or the Successor Agency to finance or refinance the redevelopment projects of the Former Agency.

That portion of the levied taxes described in paragraph (b) above, less amounts deducted pursuant to Section 34183(a) of the Dissolution Act for permitted administrative costs of the County Auditor-Controller, constitute the amounts required under the Dissolution Act to be deposited by the County Auditor-Controller into the Redevelopment Property Tax Trust Fund. In addition, Section 34183 of the Dissolution Act effectively eliminates the January 1, 1989 date from paragraph (b) above.

Before it was amended by the Dissolution Act, the Law required the Redevelopment Agency to set aside not less than 20% of all tax increment generated in the Project Area into a low and moderate income housing fund to be used for the purpose of increasing, improving and/or preserving the supply of low and moderate income housing. These tax increment revenues were commonly referred to as “Housing Set-Aside.” The Dissolution Act eliminates the characterization of certain tax increment revenues as Housing Set-Aside.

SECURITY FOR THE BONDS

Pledge of Tax Revenues

The County Auditor-Controller will deposit property tax revenues into the Redevelopment Property Tax Trust Fund pursuant to the requirements of the Dissolution Act. The Bonds are payable from and secured by Tax Revenues, moneys in certain funds and accounts held by the Trustee under the Indenture and any other moneys deposited with respect to the Project Area from time to time in the Redevelopment Property Tax Trust Fund pursuant to the pledge and lien created with respect to the Bonds by Section 34177.5(g) of the Law.

Except as described in “– Redevelopment Obligation Retirement Fund” below and as required to compensate or indemnify the Trustee, the Bonds are secured by a pledge of, security interest in and lien on all of the Tax Revenues including all of the Tax Revenues in the Redevelopment Obligation Retirement Fund and by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, including the Reserve Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Bonds are also equally secured by the pledge and lien created with respect to the Bonds by Section 34177.5(g) of the Law on moneys deposited from time to time in the Redevelopment Property Tax Trust Fund. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency are pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

“**Tax Revenues**” is defined in the Indenture to mean all taxes that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and that are deposited in the Redevelopment Property Tax Trust Fund for transfer to the Successor Agency for deposit into the Redevelopment Obligation Retirement Fund, excluding therefrom all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the Bonds.

Flow of Funds Under the Indenture

General. The Successor Agency previously established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Dissolution Act and agrees to hold and maintain the Redevelopment Obligation Retirement Fund as long as any of the Bonds are Outstanding.

Deposit in Redevelopment Obligation Retirement Fund; Transfer to Debt Service Fund. The Indenture provides that the Successor Agency will deposit all of the Tax Revenues received with respect to each six-month period beginning on January 1 of any calendar year and ending on June 30 of such calendar year, and each six-month period beginning on July 1 of any calendar year and ending on December 31 of such calendar year into the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency. See “– Recognized Obligation Payment Schedules – Relevant Covenant of the Successor Agency” herein. All Tax Revenues received by the Successor Agency in excess of the amount required to make the semi-annual deposits required under the Indenture in order to pay debt service on the Bonds as deposited under the caption “– Deposit of Amounts by Trustee” and to make any other payments due under the Indenture, will be released from the pledge and lien hereunder

and will be applied in accordance with the Law. Prior to making the deposits required by the Indenture for the payment of and interest on the Bonds and the payment in full of all other amounts payable under the Indenture, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Redevelopment Obligation Retirement Fund, except as may be provided in the Indenture.

Deposit of Amounts by Trustee. A trust fund to be known as the Debt Service Fund, will be held in trust by the Trustee under the Indenture. Moneys in the Redevelopment Obligation Retirement Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited by the Trustee in the following respective special accounts, which are established in the Debt Service Fund, and in the following order of priority:

Interest Account. On or before the 4th Business Day preceding each Interest Payment Date, the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Interest Account an amount which when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account will be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it becomes due and payable.

Principal Account. On or before the 4th Business Day prior to the September 1 on which the principal of the Bonds becomes due and payable, and at maturity, in each year beginning on the first date on which principal payments are due, the Successor Agency will withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, will be equal to the amount of principal coming due and payable on the Bonds. No such deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the outstanding Bonds. All moneys in the Principal Account will be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it becomes due and payable.

Reserve Account. Within the Debt Service Fund there will be established a separate account known as the "Reserve Account" solely as security for payments payable by the Successor Agency pursuant to the Indenture, which will be held by the Trustee in trust for the benefit of the Owners of the Bonds. The Reserve Requirement for the Bonds will be satisfied by the delivery of the Reserve Policy by the Reserve Insurer on the Closing Date with respect to the Bonds. The Successor Agency will have no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the Bonds are Outstanding, amounts are not available under the Reserve Policy other than in connection with a draw on the Reserve Policy.

Except as provided in the preceding paragraph and as may be provided in a Supplemental Indenture, in the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee will promptly notify the Successor Agency of such fact. Upon receipt of any such notice and as promptly as

is permitted by the Law, the Successor Agency will transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account.

Reserve Account; Reserve Policy

The Indenture requires that the Trustee deposit into the Reserve Account, the Reserve Requirement for the Bonds, which shall be satisfied by the delivery of Reserve Policy by the Reserve Insurer on the Closing Date. The Successor Agency will have no obligation to replace the Reserve Policy or to fund the Reserve Account with cash if, at any time that the Bonds are Outstanding, any rating assigned to the Reserve Insurer is downgraded, suspended or withdrawn or amounts are not available under a Reserve Policy, other than in connection with a draw on a Reserve Policy. The amount available under the Reserve Policy shall be used and withdrawn by the Trustee solely for the purpose of making transfers to the Interest Account and the Principal Account in such order of priority, in the event of any deficiency at any time in any of such accounts with respect to the payment of debt service on the respective series of Bonds.

The Indenture defines “**Reserve Requirement**” to mean \$_____, which has been calculated as the lesser of (i) 125% of the average Annual Debt Service with respect to the Bonds, (ii) Maximum Annual Debt Service with respect to the Bonds or (iii) 10% of the amount (within the meaning of Section 148 of the Code) of the Bonds.

Limited Obligation

The Bonds are not a debt of the City, the County, the State or any of their political subdivisions except the Successor Agency, and none of the City, the County, the State or any of their political subdivisions except the Successor Agency are liable therefor. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. No member of the Successor Agency, the Oversight Board or the Board of Supervisors of the County shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing contained in the Indenture relieves any such member, officer, agent or employee from the performance of any official duty provided by law.

Recognized Obligation Payment Schedules

Submission of Recognized Obligation Payment Schedule. Following the adoption of SB 107 in 2015, the Dissolution Act requires that, prior to each February 1, successor agencies prepare, and submit to the successor agency’s oversight board and the DOF for approval, a Recognized Obligation Payment Schedule (the “**Recognized Obligation Payment Schedule** or “**ROPS**”) pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. SB 107 also allows, subject to meeting certain conditions, an optional “Last and Final Recognized Obligation Payment Schedule,” under which the Successor Agency would no longer submit a periodic ROPS. Under that procedure, the county auditor-controller remits the authorized funds to the successor agency in accordance with the approved Last and Final Recognized Obligation Payment Schedule until each remaining enforceable obligation has been fully paid. SB 107 provides that a Last and Final Recognized Obligation Payment Schedule can only be amended twice, and only with DOF and county auditor-controller approval. The City currently has no plans to submit a Last and Final Recognized Obligation Payment Schedule.

Payment of Amounts Listed on the Recognized Obligation Payment Schedule. As defined in the Dissolution Act, “**enforceable obligation**” includes bonds, including the required debt service, reserve set-asides, and any other payments required under the indenture or similar documents governing the issuance of the outstanding bonds of the former redevelopment agency or the successor agency, as well as other obligations such as loans, judgments or settlements against the former redevelopment agency or the successor agency, any legally binding and enforceable agreement that is not otherwise void as violating the debt limit or public policy, contracts necessary for the administration or operation of the successor agency, and, under certain circumstances, amounts borrowed from the successor agency’s low and moderate income housing fund.

A reserve may be included on the Recognized Obligation Payment Schedule and held by the successor agency when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bonds for the next payment due in the following half of the calendar year.

Sources of Payments for Enforceable Obligations. Under the Dissolution Act, the categories of sources of payments for enforceable obligations listed on a Recognized Obligation Payment Schedule are the following: (i) the low and moderate income housing fund, (ii) bond proceeds, (iii) reserve balances, (iv) administrative cost allowance (successor agencies are entitled to receive not less than \$250,000, unless that amount is reduced by the oversight board), (v) the Redevelopment Property Tax Trust Fund (but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation or otherwise required under the Dissolution Act), or (vi) other revenue sources (including rents, concessions, asset sale proceeds, interest earnings, and any other revenues derived from the redevelopment agency, as approved by the oversight board).

The Dissolution Act provides that only those payments listed in the Recognized Obligation Payment Schedule may be made by a successor agency and only from the funds specified in the Recognized Obligation Payment Schedule.

Order of Priority of Distributions from Redevelopment Property Tax Trust Fund. Typically, under the Redevelopment Property Tax Trust Fund distribution provisions of the Dissolution Act, a county auditor-controller is to distribute funds for each six-month period in the following order specified in Section 34183 of the Dissolution Act:

(i) first, subject to certain adjustments for subordinations to the extent permitted under the Dissolution Act (if any, as described below under “SECURITY FOR THE BONDS - Statutory Pass-Through Payments”) and no later than each January 2 and June 1, to each local successor agency and school entity, to the extent applicable, amounts required for pass-through payments such entity would have received under provisions of the Law, as those provisions read on January 1, 2011, including negotiated pass-through agreements and statutory pass-through obligations;

(ii) second, on each January 2 and June 1, to the successor agency for payments listed in its Recognized Obligation Payment Schedule, with debt service payments scheduled to be made for tax allocation bonds having the highest priority over payments scheduled for other debts and obligations listed on the Recognized Obligation Payment Schedule;

(iii) third, on each January 2 and June 1, to the successor agency for the administrative cost allowance, as defined in the Dissolution Act; and

(iv) fourth, on each January 2 and June 1, to taxing entities any moneys remaining in the Redevelopment Property Tax Trust Fund after the payments and transfers authorized by clauses (i) through (iii), in an amount proportionate to such taxing entity's share of property tax revenues in the tax rate area in that fiscal year (without giving effect to any pass-through obligations that were established under the Law).

Failure to Submit a Recognized Obligation Payment Schedule. The ROPS must be approved by the oversight board and must be submitted by a successor agency to the county administrative office, the county auditor-controller, the DOF, and the State Controller by February 1 of each year. If the successor agency does not submit a ROPS by the applicable deadline, the city or county that established the former redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. For additional information regarding procedures under the Dissolution Act relating to late ROPS and implications thereof on the Bonds, see "RISK FACTORS – Recognized Obligation Payment Schedule."

Relevant Covenant by the Successor Agency. The Successor Agency covenants in the Indenture that it will comply with all of the requirements of the Law. Pursuant to Section 34177 of the Dissolution Act, prior to each February 1 (or such other date specified in the Law as amended after the date of this Official Statement), the Successor Agency will submit to the Oversight Board and the DOF, a Recognized Obligation Payment Schedule.

The Successor Agency further covenants to take all actions required under the Law and the Dissolution Act to include in the Recognized Obligation Payment Schedule for each Semiannual Period (i) debt service on the Bonds, which may include reserve amounts for a subsequent Semiannual Period, and (ii) all amounts due and owing to the Reserve Insurer under the Indenture or under the 2026 Reserve Insurance Agreement (as defined in the Indenture), so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund on each January 2 and June 1, as applicable, or such other date specified in the Law as amended after the date of this Official Statement, amounts required to enable the Successor Agency to pay principal of, and interest on, the Bonds on a timely basis, as such amounts of debt service are set forth in the Recognized Obligation Payment Schedule attached as an exhibit to the Indenture, or as such Schedule may be hereafter amended, as well as all amounts due and owing to the Reserve Insurer hereunder or under the 2026 Reserve Insurance Agreement.

The Successor Agency further covenants that in the event the provisions set forth in the Dissolution Act as of the date of issuance of the Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency will take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt of (i) not less than one half of debt service due during each Bond Year on all Outstanding Bonds prior to March 1 of such Bond Year, and (ii) the remainder of debt service due during such Bond Year on all Outstanding Bonds prior to the next succeeding September 1.

The Successor Agency has no power to levy and collect taxes, and various factors beyond its control could affect the amount of Tax Revenues available in any six-month period to pay the principal of and interest on the Bonds. See “RISK FACTORS.”

No Negotiated Pass-Through Agreements

The Former Agency did not enter into any negotiated pass-through agreements.

Statutory Pass-Through Payments

General. In certain circumstances, Sections 33607.5 and 33607.7 of the Law require redevelopment agencies and successor agencies to make statutory pass-through payments to taxing agencies whose territory is located within a redevelopment project area, to alleviate the financial burden or detriment caused by the redevelopment project. Generally speaking, the County Auditor-Controller is required to deduct from the Successor Agency’s Redevelopment Property Tax Trust Fund to pay to the affected taxing agencies percentages of tax increment generated in a Project Area as follows:

Tier 1: throughout the period that the Successor Agency is eligible to receive property tax revenues from a project area, 25% of revenues in excess of revenues generated in the Project Area as of the initial redevelopment plan amendment that triggered the pass-through requirement, (computed based on revenue after deduction of the 20% attributable to former low and moderate income housing set-aside, as if it were still in effect); plus,

Tier 2: for the 11th year of the receipt of tax increment and thereafter, 21% of revenues in excess of revenues based on assessed values in the project area for the 10th year (computed based on revenue after deduction of the 20% attributable to former low and moderate income housing set-aside, as if it were still in effect); plus,

Tier 3: for the 31st year of the receipt of tax increment and thereafter, 14% of revenues in excess of revenues based on assessed values in the project area for the 30th year (computed based on revenue after deduction of the 20% attributable to former low and moderate income housing set-aside, as if it were still in effect).

Statutory Pass-Through Obligations in the Project Area. In 1993, the California Legislature enacted Assembly Bill 1290 (“**AB 1290**”), which contained several significant changes in the Law. Among the changes made by AB 1290 was a provision that limits the period of time for incurring and repaying loans, advances and indebtedness payable from tax increment revenues. Under AB 1290, redevelopment agencies were required to commence making pass-through payments under Section 33607.7 of the Law to certain taxing entities with respect to project areas formed on or before 1993, upon amendment of the related redevelopment plans to extend the time during which the redevelopment agency could incur debt, extend the last day the redevelopment agency could incur debt with respect to such project areas, to extend the life of the redevelopment plan or to increase the tax increment limit. Under AB 1290, statutory pass-through payments were required to commence in the first year following the year in which the first of the revised limits would otherwise have gone into effect. With respect to project areas formed or territory added to existing project areas after 1993, AB 1290 required redevelopment agencies to commence making pass-through payments under 33607.7 of the Law upon formation of such project areas.

In 1996, the Original Redevelopment Plan was amended to revise certain time and financial limits contained in Original Redevelopment Plan. The amendments to time and financial limitations in the Redevelopment Plan triggered statutory pass-through payments under Section 33607.7 of the Law with respect to the Original Area, the First Amendment Area and the Second Amendment Area (i.e. the subareas of the Project Area formed or added to the Project Area on or before 1993). Such payments are based on tax increment revenues above the levels that were received in fiscal year 2000-01. Because the Midtown Area was added to the Project Area in 2003, the Former Agency was required to commence making statutory pass-through payments under Section 33607.7 of the Law in 2003. See “APPENDIX A – FISCAL CONSULTANT’S REPORT” for further information regarding statutory pass-through obligations in the Project Areas.

No Subordination of Statutory Pass-Through Payments. Statutory pass-through payments are payable on a senior basis to debt service on bonds under the Dissolution Act, unless the pass-through payments have been subordinated. The Law, as amended by the Dissolution Act, allows statutory pass-through payments to be subordinated to debt service on the Successor Agency’s bonds. **However, the Successor Agency did not seek or obtain the consent from any taxing entities to subordinate their right to receive statutory payments to the payment of debt service on the Bonds. Pursuant to the Indenture, “Tax Revenues” pledged to the Bonds excludes amounts required for statutory pass-through payments.**

Other Obligations

In 2003, the County and the Former Agency entered into a land purchase agreement (the “**Land Purchase Agreement**”) pursuant to which the Former Agency purchased approximately 35.6 acres of land adjacent to the Elmwood Rehabilitation Facility. As payment for such land, the Land Purchase Agreement required that the proceeds of any subsequent sale of approximately 33.8 acres of such land by the Former Agency be paid to the County. The Land Purchase Agreement also required the Former Agency to make payments to the County payable from tax increment revenues of the Former Agency, bond proceeds or other moneys available to the Former Agency for an estimated period of 30 years. Subsequently, 33.8 acres were sold by the Former Agency to KB Homes Southbay, Inc. for construction of single-family homes. The remaining 1.08 acres were retained by the Former Agency and used as a community park until such acres were transferred to the City in 2013.

Amounts payable by the Successor Agency to the County pursuant to the Land Purchase Agreement are not secured by a lien on or pledge of Tax Revenues and therefore, the projection of Tax Revenues prepared by the Fiscal Consultant and set forth in the section of this Official Statement entitled “THE PROJECT AREA – Projected Tax Revenues and Estimated Debt Service Coverage,” excludes such payments in determining Tax Revenues available to pay debt service on the Bonds.

PROPERTY TAXATION IN CALIFORNIA

Property Tax Collection Procedures

Classification. In the State, property which is subject to ad valorem taxes is classified as “secured” or “unsecured.” Secured and unsecured property are entered on separate parts of the assessment roll maintained by the County assessor. The secured classification includes property on which any property tax levied by a county becomes a lien on that property. A tax levied on unsecured property does not become a lien against the taxed unsecured property, but may become a lien on certain other property owned by the taxpayer. Every tax which becomes a lien on secured property has priority over all other liens on the secured property arising pursuant to State law, regardless of the time of the creation of other liens.

Generally, ad valorem taxes are collected by a county (the “**Taxing Authority**”) for the benefit of the various entities (e.g., cities, schools and special districts) that share in the ad valorem tax (each a taxing entity) and successor agencies eligible to receive distributions from the respective Redevelopment Property Tax Trust Funds.

Collections. Secured and unsecured property are entered separately on the assessment roll maintained by the county assessor. The method of collecting delinquent taxes is substantially different for the two classifications of property. The taxing authority has four ways of collecting unsecured personal property taxes: (i) initiating a civil action against the taxpayer, (ii) filing a certificate in the office of the county clerk specifying certain facts in order to obtain a judgment lien on certain property of the taxpayer, (iii) filing a certificate of delinquency for record in the county recorder’s office to obtain a lien on certain property of the taxpayer, and (iv) seizing and selling personal property, improvements or possessory interests belonging or assessed to the assessee. The exclusive means of enforcing the payment of delinquent taxes with respect to property on the secured roll is the sale of the property securing the taxes to the State for the amount of taxes which are delinquent.

Penalty. A 10% penalty is added to delinquent taxes which have been levied with respect to property on the secured roll. In addition, property on the secured roll on which taxes are delinquent is declared in default by operation of law and declaration of the tax collector on or about June 30 of each fiscal year. Such property may thereafter be redeemed by payment of the delinquent taxes and a delinquency penalty, plus a redemption penalty of 1.5% per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and then is subject to sale by the county tax collector. A 10% penalty also applies to delinquent taxes with respect to property on the unsecured roll, and further, an additional penalty of 1.5% per month accrues with respect to such taxes beginning on varying dates related to the tax bill mailing date.

Delinquencies. The valuation of property is determined as of the January 1 lien date as equalized in August of each year and equal installments of taxes levied upon secured property become delinquent on the following December 10 and April 10. Taxes on unsecured property are due January 1 and become delinquent August 31.

Supplemental Assessments. California Revenue and Taxation Code Section 75.70 (Chapter 498 of the Statutes of 1983) provides for the reassessment and taxation of property as of the occurrence of a change of ownership or completion of new construction. Such reassessment is referred to as the Supplemental Assessment and is determined by applying the current year’s tax rate to the amount of increase or decrease in a property’s value and prorating

the resulting property taxes to reflect the portion of the tax year remaining as determined by the date of the change in ownership or completion of new construction. Supplemental Assessments become a lien against real property, or in the event of a decrease in assessed value, result in a refund to the property owner. Since fiscal year 1984-85, revenues and refunds derived from Supplemental Assessments have been allocated to redevelopment agencies and taxing entities in the same manner as regularly collected property taxes.

Prior to the enactment of this law, the assessment of such changes was permitted only as of the next tax lien date following the change, and this delayed the realization of increased property taxes from the new assessments for up to 14 months. This statute provides increased revenue to the Redevelopment Property Tax Trust Fund to the extent that Supplemental Assessments of new construction or changes of ownership occur within the boundaries of redevelopment projects subsequent to the January 1 lien date. To the extent such Supplemental Assessments occur within the Project Area, Tax Revenues may increase.

Property Tax Administrative Costs. In 1990, the California Legislature enacted SB 2557 (Chapter 466, Statutes of 1990) which allows counties to recover charges for the cost of assessing, collecting and allocating property tax revenues to local government jurisdictions in proportion to the tax-derived revenues allocated to each, in an amount equal to the fiscal year 1989-90 property tax administration costs, as adjusted annually.

SB 1559 (Chapter 697, Statutes of 1992) explicitly includes redevelopment agencies among the jurisdictions which are subject to such charges. The portions of the reimbursement amount that are allocated to each taxing entity within the County are based on the percentage of the total assessed value in the County that each taxing entity's assessed value represents. Based on the County SB 2557 charge to the Successor Agency for fiscal year 2025-26 for the Project Area, the Fiscal Consultant estimates that the SB 2557 charge for fiscal year 2026-27 will be 1.02% of gross tax increment revenues for the Project Area.

In addition, Sections 34182(e) and 34183(a) of the Dissolution Act allow administrative costs of the County Auditor-Controller for the cost of administering the provisions of the Dissolution Act, as well as the foregoing SB 2557/SB 1559 amounts, to be deducted from property tax revenues before monies are deposited into the Redevelopment Property Tax Trust Fund. The County's administrative charge relating to the dissolution of the Redevelopment Agency was approximately \$1,034,000 for fiscal year 2025-26. These administrative charges are excluded from the definition of "Tax Revenues" and are paid prior to debt service on the Bonds.

Rate of Collections

The County has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), which allows each entity levying property taxes in the County to draw on the amount of property taxes levied rather than the amount actually collected. The allocation to redevelopment agencies differs from the County's normal allocation to other taxing entities under the Teeter Plan. Under the Teeter Plan, taxing entities receive 100% of the secured tax levy without regard to the impact of delinquent property taxes, but unsecured taxes are allocated based on actual collections. However, under the Teeter Plan as applied to the Successor Agency, tax increment generated from both the secured and unsecured tax rolls is allocated based on 100% of the County calculated levy. The Successor Agency is therefore shielded from the impact of delinquent property taxes on both the secured and unsecured roll. The County could elect to terminate this policy and, in such

event, the amount of the levy of property tax revenue that could be allocated to the Successor Agency would depend upon the actual collections of secured and unsecured taxes within the Project Area. Substantial delinquencies in the payment of property taxes could impair the timely receipt by the Successor Agency of Tax Revenues.

Unitary Property

Legislation enacted in 1986 and 1987 provided for a modification of the distribution of tax revenues derived from utility property assessed by the State Board of Equalization (“SBE”), other than railroads. Prior to fiscal year 1988-89, property assessed by the SBE was assessed statewide and was allocated according to the location of individual components of a utility in a tax rate area.

Assembly Bill (“AB”) 2890 (Statutes of 1986, Chapter 1457) provides that, commencing with fiscal year 1988-89, assessed value derived from State-assessed unitary property (consisting mostly of operational property owned by utility companies) is to be allocated county-wide as follows: (i) each taxing entity will receive the same amount as in the previous year plus an increase for inflation of up to 2%; (ii) if utility tax revenues are insufficient to provide the same amount as in the previous year, each taxing entity’s share would be reduced pro rata county wide; and (iii) any increase in revenue above 2% would be allocated in the same proportion as the taxing entity’s local secured taxable values are to the local secured taxable values of the county. Additionally, the lien date on State-assessed property is changed from March 1 to January 1.

AB 454 (Statutes of 1987, Chapter 921) further modified Chapter 1457 regarding the distribution of tax revenues derived from property assessed by the SBE. Chapter 921 provides for the consolidation of all State-assessed property, except for regulated railroad property, into a single tax rate area in each county. Chapter 921 further provides for a new method of establishing tax rates on State-assessed property and distribution of property tax revenue derived from State-assessed property to taxing jurisdictions within each county in accordance with a new formula. Railroads will continue to be assessed and revenues allocated to all tax rate areas where railroad property is sited.

To administer the allocation of unitary tax revenues to redevelopment agencies, the County no longer includes the taxable value of utilities as part of the reported taxable values of a project area; therefore, the base year value of the Project Area has been reduced by the amount of utility value that existed originally in the base year.

Article XIII A of the State Constitution

Article XIII A limits the amount of ad valorem taxes on real property to 1% of “full cash value” of such property, as determined by the county assessor. Article XIII A defines “full cash value” to mean “the County Assessor’s valuation of real property as shown on the 1975-76 tax bill under ‘full cash value,’ or, thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred after the 1975 assessment.” Furthermore, the “full cash value” of all real property may be increased to reflect the rate of inflation, as shown by the consumer price index, not to exceed 2% per year, or may be reduced.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by substantial damage, destruction or other factors, and to provide that there would be no increase in the “full cash value” base in the

event of reconstruction of property damaged or destroyed in a disaster and in other special circumstances.

Article XIII A (i) exempts from the 1% tax limitation taxes to pay debt service on (a) indebtedness approved by the voters prior to July 1, 1978 or (b) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition; (ii) requires a vote of two-thirds of the qualified electorate to impose special taxes, or certain additional ad valorem taxes; and (iii) requires the approval of two-thirds of all members of the State Legislature to change any State tax laws resulting in increased tax revenues.

The validity of Article XIII A has been upheld by both the California Supreme Court and the United States Supreme Court.

In the general election held November 4, 1986, voters of the State approved two measures, Propositions 58 and 60, which further amended Article XIII A. Proposition 58 amended Article XIII A to provide that the terms “purchase” and “change of ownership,” for the purposes of determining full cash value of property under Article XIII A, do not include the purchase or transfer of (1) real property between spouses and (2) the principal residence and the first \$1,000,000 of other property between parents and children. This amendment to Article XIII A may reduce the rate of growth of local property tax revenues.

Proposition 60 amended Article XIII A to permit the California Legislature to allow persons over the age of 55 who sell their residence and buy or build another of equal or lesser value within two years in the same county, to transfer the old residence assessed value to the new residence. As a result of the California Legislature’s action, the growth of property tax revenues may decline.

Legislation enacted by the California Legislature to implement Article XIII A provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement is shown at 100% of assessed value and all general tax rates reflect the \$1 per \$100 of taxable value (except as noted). Tax rates for voter-approved bonded indebtedness and pension liabilities are also applied to 100% of assessed value.

Each year the SBE announces the applicable adjustment factor. Since the adoption of Proposition 13, inflation has, in most years, exceeded 2% and the announced factor has reflected the 2% cap. The changes in the California Consumer Price Index from October of one year and October of the next year are used to determine the adjustment factor for the January assessment date. Through fiscal year 2010-11 there were six occasions when the inflation factor was less than 2%. Until fiscal year 2010-11 the annual adjustment never resulted in a reduction to the base year values of individual parcels; however, the factor that was applied to real property assessed values for the January 1, 2010 assessment date was -0.237% and this resulted in a reductions to the adjusted base year value of parcels. In the last ten fiscal years, the inflation adjustment factor was less than 2% only in fiscal year 2021-22, when it was 1.036%.

Appropriations Limitation – Article XIII B

Article XIII B limits the annual appropriations of the State and its political subdivisions to the level of appropriations for the prior fiscal year, as adjusted for changes in the cost of living,

population and services rendered by the government entity. The “base year” for establishing such appropriations limit is the 1978/79 fiscal year, and the limit is to be adjusted annually to reflect changes in population, consumer prices and certain increases in the cost of services provided by these public agencies.

Section 33678 of the Law provides that the allocation of taxes to a redevelopment agency for the purpose of paying principal of, or interest on, loans, advances, or indebtedness shall not be deemed the receipt by a redevelopment agency of proceeds of taxes levied by or on behalf of a redevelopment agency within the meaning of Article XIII B, nor shall such portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to the limitation of, any other public body within the meaning or for the purpose of the Constitution and laws of the State, including Section 33678 of the Law. The constitutionality of Section 33678 has been upheld in two California appellate court decisions. On the basis of these decisions, the Successor Agency has not adopted an appropriations limit.

Proposition 87

On November 8, 1988, the voters of the State approved Proposition 87, which amended Article XVI, Section 16 of the State Constitution to provide that property tax revenue attributable to the imposition of taxes on property within a redevelopment project area for the purpose of paying debt service on certain bonded indebtedness issued by a taxing entity and approved by the voters of the taxing entity after January 1, 1989 will be allocated solely to the payment of such indebtedness and not to redevelopment agencies.

Appeals of Assessed Values

Pursuant to California law, a property owner may apply for a reduction of the property tax assessment for such owner's property by filing a written application, in a form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board.

In the County, a property owner desiring to reduce the assessed value of such owner's property in any one year must submit an application to the County Assessment Appeals Board (the “**Appeals Board**”). Applications for any tax year must be submitted by September 15 of such tax year. Following a review of each application by the staff of the County Assessor's Office, the staff makes a recommendation to the Appeals Board on each application which has not been rejected for incompleteness or untimeliness or withdrawn. The Appeals Board holds a hearing and either reduces the assessment or confirms the assessment. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level for fiscal years following the year for which the reduction application is filed. However, if the taxpayer establishes through proof of comparable values that the property continues to be overvalued (known as “ongoing hardship”), the Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year as well. Appeals for reduction in the “base year” value of an assessment, which generally must be made within four years of the date of change in ownership or completion of new construction that determined the base year, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. Moreover, in the case of any reduction in any one year of assessed value granted for “ongoing hardship” in the then current year, and also in any cases involving stipulated appeals for prior years relating to base year and personal property assessments, the property tax revenues from which Tax

Revenues are derived attributable to such properties will be reduced in the then current year. In practice, such a reduced assessment may remain in effect beyond the year in which it is granted.

See “THE PROJECT AREA – Appeals of Assessed Values” for information regarding historical and pending appeals of assessed valuations by property owners in the Project Area.

Proposition 8

Proposition 8, approved in 1978 (California Revenue and Taxation Code Section 51(b)), provides for the assessment of real property at the lesser of its originally determined (base year) full cash value compounded annually by the inflation factor, or its full cash value as of the lien date, taking into account reductions in value due to damage, destruction, obsolescence or other factors causing a decline in market value. Reductions under this code section may be initiated by the County Assessor or requested by the property owner.

After a roll reduction is granted under this code section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A.

See “THE PROJECT AREA – Appeals of Assessed Values” for additional information.

Propositions 218 and 26

On November 5, 1996, California voters approved Proposition 218—Voter Approval for Local Government Taxes—Limitation on Fees, Assessments, and Charges—Initiative Constitutional Amendment. Proposition 218 added Articles XIII C and XIII D to the State Constitution, imposing certain vote requirements and other limitations on the imposition of new or increased taxes, assessments and property-related fees and charges. On November 2, 2010, California voters approved Proposition 26, the “Supermajority Vote to Pass New Taxes and Fees Act.” Proposition 26 amended Article XIII C of the California Constitution by adding an expansive definition for the term “tax,” which previously was not defined under the California Constitution.

Tax Revenues securing the Bonds are derived from property taxes that are outside the scope of taxes, assessments and property-related fees and charges which are limited by Proposition 218 and Proposition 26.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C and Article XIII D and certain other propositions affecting property tax levies were each adopted as measures which qualified for the ballot pursuant to California’s initiative process. From time-to-time, other initiative measures could be adopted that could potentially impact the Tax Revenues pledged to the Bonds.

THE PROJECT AREA

Project Description

The Project Area consists of approximately 2,230 acres and includes low-density and medium-density residential, industrial, commercial and public land uses. The Project Area is composed of four subareas: the Original Area, the First Amendment Area, the Second Amendment Area, and the Midtown Area.

Original Area. The Original Area consists of approximately 577 acres of land largely developed for commercial, residential and public land uses.

First Amendment Area. The First Amendment Area consists of approximately 483 acres of land largely developed for commercial, industrial and residential use.

Second Amendment Area. The Second Amendment Area consists of approximately 479 acres of land largely developed for commercial use.

Midtown Area. The Midtown Area consists of approximately 691 acres of land largely developed for commercial and residential use.

Land Use

The following table summarizes the current land use in the Project Area in the aggregate, by the number of parcels and by taxable assessed land value for fiscal year 2026-27. As shown, the majority of land within the Project Area (approximately 56.5% in terms of assessed valuation) is currently used for residential purposes. The assessed values shown do not include non-homeowner exemptions.

These land use categories are based on land use designations placed on individual parcels by the County Assessor's Office and may not, in every case, coincide with the actual uses found on the parcels.

TABLE 1
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Land Use by Taxable Value
Fiscal Year 2026-27

Land Use Type	No. of Parcels⁽¹⁾	Taxable Value	% of Total Fiscal Year 2026-27 Assessed Value
<u>Residential</u>			
Condo and Townhouse	3,310	\$3,068,526,527	26.0%
Single Family	2,159	1,907,870,045	16.2
Multifamily	28	1,699,438,376	14.4
Sub-Total	5,497	\$6,675,834,948	56.5%
<u>Industrial</u>			
Research and Development	30	2,103,345,577	17.8
Warehouse	15	129,404,242	1.1
Other Industrial Uses	113	778,508,916	6.6
Sub-Total	158	\$3,011,258,735	25.5%
<u>Commercial</u>			
Retail	110	329,484,915	2.8
Hotel	14	285,633,376	2.4
Office	66	126,632,004	1.1
Mixed Use	3	56,310,139	0.5
Other Commercial	6	7,025,843	0.1
Sub-Total	199	\$805,086,277	6.8%
<u>Vacant Land</u>	185	206,721,685	1.8
<u>Other Secured</u>	161	172,067,476	1.5
<u>Unsecured</u>	2,673	938,829,364	7.9
Grand Total	8,873	\$11,809,798,485	100.0%

(1) Includes 6,200 secured parcels and 2,673 unsecured assessments (8,873 total). SBE value is included within Other Secured with no parcel count attributed.

Source: *Keyser Marston Associates, Inc.*

The Redevelopment Plan

The Original Redevelopment Plan was adopted and approved as the redevelopment plan for the Original Area by Ordinance No. 192, adopted by the City Council of the City on September 21, 1976. Since adoption, the Original Redevelopment Plan has been amended several times, including by the amendments described below.

First Amendment. The Original Redevelopment Plan was first amended by Ordinance No. 192.1, adopted by the City Council of the City on September 4, 1979 (the “**First Amendment**”) to add the First Amendment Area to the Project Area.

Second Amendment. The Original Redevelopment Plan was amended a second time by Ordinance No. 192.2, adopted by the City Council of the City on May 4, 1982 (the “**Second Amendment**”) to add the Second Amendment Area to the Project Area and, with respect to the First Amendment Area and the Second Amendment Area only, established a cumulative limit on

the amount of tax increment that could be collected, limit on bonded indebtedness and time limit on incurrence of such indebtedness.

SB 690; SB 690 Amendment. In 1985, the California Legislature enacted State Bill 690 (“**SB 690**”), which amended the Law to require that redevelopment plans for all project areas adopted prior to October 1, 1976, such as the Original Area, be amended to, among other things, add a cumulative limit on the amount of tax increment that could be collected in such project areas. On December 9, 1986, the City Council of the City adopted Ordinance No. 192.4, which adopted various plan limits, including a cumulative limit on the amount of tax increment that could be collected in the Original Area in accordance with SB 690.

AB 1290; AB 1290 Amendments. On December 9, 1994, the City Council of the City adopted Ordinance No. 192.9, which adopted a series of plan limits related to the Original Redevelopment Plan to comply with AB 1290. On October 15, 1996, the City Council of the City adopted Ordinance No. 192.11, pursuant to which the limit on the number of dollars of tax increment that could be allocated to the Former Agency was increased thereby triggering the Former Agency’s obligation to make statutory pass-through payments in accordance with 33607.7 of the Law with respect to tax increment revenues from the Original Area, the First Amendment Area and the Second Amendment Area pursuant to AB 1290. See “SECURITY FOR THE BONDS - Statutory Pass-Through Payments” above for further discussion regarding the Successor Agency’s statutory pass-through payment obligations.

Amendment and Restatement. The Original Redevelopment Plan was amended and restated by Ordinance No. 192.14 adopted by the City Council of the City on June 17, 2003, approving the Amended and Restated Redevelopment Plan, adding the Midtown Area to the Project Area, establishing certain plan limits with respect to the Midtown Area and amending and restating the plan limits then existing with respect to the Original Area, the First Amendment Area and the Second Amendment Area.

SB 1045; SB 1096; SB 1045 and SB 1096 Amendments. Pursuant to Senate Bill 104 (“**SB 1045**”) in connection with the adoption of statutes requiring an Educational Revenue Augmentation Fund (“**ERAF**”) shift for fiscal year 2003-04, the State Legislature authorized a number of redevelopment plan changes.

Pursuant to SB 1045, the Amended and Restated Redevelopment Plan was amended pursuant to Ordinance No. 192.15, adopted by the City Council of the City on October 7, 2003, to extend (i) the time limit of the effectiveness of the Amended and Restated Redevelopment Plan with respect to the Original Area, the First Amendment Area and the Second Amendment Area to September 21, 2017, September 4, 2020 and May 4, 2023, respectively, and with respect to the Midtown Area to June 17, 2034, and (ii) the time limit to repay indebtedness and receive tax increment from the Original Area, the First Amendment Area and the Second Amendment Area to September 21, 2027, September 4, 2030 and May 4, 2033, respectively, and with respect to the Midtown Area to June 17, 2049.

Pursuant to SB 1045, the Amended and Restated Redevelopment Plan was amended pursuant to Ordinance No. 192.16, adopted by the City Council of the City on September 19, 2006, to extend (i) the time limit of the effectiveness of the Amended and Restated Redevelopment Plan with respect to the Original Area, the First Amendment Area and the Second Amendment Area to September 21, 2019, September 4, 2022 and May 4, 2025, respectively, and (ii) the time limit to repay indebtedness and receive tax increment from the

Original Area, the First Amendment Area and the Second Amendment Area to September 21, 2029, September 4, 2032 and May 4, 2035, respectively.

Merger Amendment. The Amended and Restated Redevelopment Plan was amended pursuant to Ordinance No. 192.19 adopted by the City Council of the City on November 29, 2006, pursuant to which the Project Area was merged with Great Mall Project Area to permit tax increment revenues from the Project Area to be used for redevelopment activities in the Great Mall Project Area. The Project Area and the Great Mall Project Area retained separate redevelopment plans after the merger. The Great Mall Project Area does not generate tax increment revenues and no monies from the Great Mall Project Area are pledged to secure the payment of debt service on the Bonds.

Historical and Estimated Assessed Values and Tax Revenues

The table below shows the historical secured, unsecured and state-assessed values for fiscal years 2017-18 to fiscal year 2026-27 based upon the County Auditor-Controller's equalized rolls. Assessed values of the Project Area increased at an annualized rate of 4.9% over the 10-year period from fiscal year 2017-18 to fiscal year 2026-27 and by 2.6% from fiscal year 2025-26 to fiscal year 2026-27.

TABLE 2
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Historical Assessed Values Fiscal Year 2017-18 – Fiscal Year 2026-27

Fiscal Year	Assessed Value (\$ Thousands)	% Change
2017-18	\$7,683,435	--
2018-19	7,979,045	3.8%
2019-20	8,804,547	10.3
2020-21	9,412,669	6.9
2021-22	9,812,441	4.2
2022-23	10,701,854	9.1
2023-24	11,034,952	3.1
2024-25	11,414,160	3.4
2025-26	11,508,621	0.8
2026-27	11,809,798	2.6
10-Year Annualized		4.9%

Source: County Assessor; Keyser Marston Associates, Inc.

The table below shows the historical assessed valuations for the prior five fiscal years, based upon the County Auditor-Controller's equalized rolls, and then calculates available Tax Revenues in the Project Area for those years. As shown in the table, from fiscal year 2021-22 to fiscal year 2025-26, Tax Revenues increased from approximately \$70.4 million to \$76.6 million, an 8.8% overall increase. Tax Revenues experienced a 4.1% year-over-year decline from fiscal year 2024-25 to fiscal year 2025-26 driven by an increase in roll corrections. See "APPENDIX A – FISCAL CONSULTANT'S REPORT" for further discussion regarding historical assessed values and calculated Tax Revenues within the Project Area.

TABLE 3
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Historical Tax Revenues Fiscal Year 2021-22 – Fiscal Year 2025-26
(\$ Thousands)

	2021-22	2022-23	2023-24	2024-25	2025-26
Assessed Value	\$9,812,441	\$10,701,854	\$11,034,952	\$11,414,160	\$11,508,621
Base Year Assessed Value	799,727	799,727	799,727	799,727	799,727
Assessed Value Increment	\$9,012,714	\$9,902,127	\$10,235,225	\$10,614,434	\$10,708,894
Calculated Gross Tax Increment @1% ⁽¹⁾	\$90,127	\$99,021	\$102,352	\$106,144	\$107,089
Actual Gross Tax Increment Collected ⁽¹⁾					
Secured / Unsecured Taxes	90,127	99,021	102,352	106,144	107,089
Unitary	450	496	558	635	717
Roll Corrections / Refunds	(168)	(1,663)	(5,401)	(1,372)	(8,133)
Supplemental, Other	1,996	2,693	3,397	2,180	1,903
Total Gross Tax Increment Collected	\$92,405	\$100,547	\$100,906	\$107,587	\$101,575
<i>Actual as a percentage of calculated</i>	<i>average</i>				
	99.8%				
Less: County Admin Expenses	(798)	(890)	(831)	(918)	(1,034)
Less: Pass-Through Payments	(21,240)	(23,791)	(23,872)	(26,840)	(23,951)
Tax Revenues	\$70,367	\$75,866	\$76,204	\$79,829	\$76,590
Percent Change	--	7.8%	0.4%	4.8%	(4.1%)

(1) Calculated gross tax increment is based on incremental assessed value multiplied by the 1% tax rate. Calculated gross tax increment does not consider unitary, supplemental assessments, roll corrections, escape assessments, or appeal refunds. Actual gross tax increment collections take all such revenues into account

Source: Keyser Marston Associates, Inc.

Unitary Property

As the result of the enactment of Assembly Bill 2890 (Chapter 1457, Statutes of 1986) and Assembly Bill 454 (Chapter 921, Statutes of 1987), a portion of the County-wide unitary values assigned to public utilities is allocated to the Project Area. Any substantial reduction in the values of public utility properties, either because of deregulation of a utility industry or for any other reason, will have an adverse impact on the amount of tax increment revenues. However, any such impact with respect to utility properties within the Project Area will be lessened because the impact will be spread on a County-wide basis.

The amount of unitary revenues to be allocated to the Successor Agency from the Project Area for fiscal year 2025-26 was \$716,754.

The Fiscal Consultant assumes that allocations of unitary revenues will remain constant for purposes of projecting tax increment available to pay debt service on the Bonds.

Major Taxable Property Owners

The following table lists the 10 largest taxable property owners within the Project Area in the aggregate for fiscal year 2026-27. The ten largest taxpayers for fiscal year 2026-27 represent 28.2% of total assessed value and 30.3% of incremental assessed value for the Project Area.

Multiple legal entities affiliated with a single ownership are aggregated; for example, Cisco Systems Inc includes four separate entities listed on the roll: Cisco Systems Capital Corp, Cisco Systems Inc, Cisco Systems Workplace Resources SF Water, and Cisco Technology Inc., which are aggregated for the analysis of top taxpayers. The footnotes to Table 4 identify the included legal entities where multiple entities are aggregated.

TABLE 4
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Ten Largest Taxable Property Owners Fiscal Year 2026-27

Taxpayer	Land Use(s) or Description	No. of Parcels and Unsecured Assessments	2026-27 Assessed Value			% Assessed Value ⁽¹⁾	
			Secured	Unsecured	Total	% Total	% Incr.
1. Cisco Systems Inc ⁽²⁾⁽³⁾	R&D / Light Industrial, Unsecured	25	\$532,167,435	\$288,558,287	\$820,725,722	6.9%	7.5%
2. KLA Corporation ⁽²⁾⁽⁴⁾	R&D / Light Industrial	4	793,214,481	190,058	793,404,539	6.7	7.2
3. The Fields (Lyon Living) ⁽²⁾⁽⁵⁾	Multifamily, Vacant Land	7	474,958,437	-	474,958,437	4.0	4.3
4. WDMICA001 LP	R&D / Light Industrial	6	203,468,579	-	203,468,579	1.7	1.8
5. WH Silicon Valley VI LP ⁽²⁾	R&D / Light Industrial	11	199,232,136	-	199,232,136	1.7	1.8
6. LMC Milpitas Holdings I LLC ⁽²⁾	Multifamily	1	191,475,079	-	191,475,079	1.6	1.7
7. Essex Portfolio LP ⁽²⁾	Multifamily	1	184,635,642	-	184,635,642	1.6	1.7
8. 501 Murphy Ranch LP ⁽²⁾	Multifamily	1	163,119,346	-	163,119,346	1.4	1.5
9. MG Eleanor Apartments LLC et al. ⁽²⁾	Multifamily, Retail	1	159,468,703	-	159,468,703	1.4	1.4
10. Timber SOMA MC LP ⁽²⁾	R&D / Light Industrial	3	145,017,461	-	145,017,461	1.2	1.3
Total Top 10 Taxpayers		60	\$3,046,757,299	\$288,748,345	\$3,335,505,644	28.2%	30.3%

(1) Based upon fiscal year 2026-27 assessed value of \$11,809,798,485 and incremental assessed value of \$11,010,071,646.

(2) Taxpayer has pending appeals of assessed valuation.

(3) Includes Cisco Systems Capital Corp, Cisco Systems Inc, Cisco Systems Workplace Resources SF Water, Cisco Technology Inc.

(4) Includes KLA Corp, KLA Tencor Corp.

(5) Includes Fields CH Owner LLC, Milpitas District 1 Owner LLC, Milpitas District 2 Assc LLC, Milpitas District 4 Owner LLC.

Source: County Assessor; Keyser Marston Associates, Inc.

Cisco Systems Inc. The top property taxpayer in the Project Area is Cisco Systems Inc., a global networking, cybersecurity, and data center provider that owns a five-building research and development campus in the Project Area near the SR-237 and I-880 interchange, encompassing approximately 1.1 million square feet of research and development space across 70 acres.

KLA Corporation. The second largest property taxpayer in the Project Area is KLA Corporation, which designs, manufactures, and sells semiconductor process-control and yield-management equipment, owns its global headquarters and principal research and development campus on Technology Drive in the Project Area. The 39-acre campus includes six buildings totaling approximately 770,000 square feet.

The Fields (Lyon Living). The third largest property taxpayer is the Fields, which encompasses three multifamily rental properties with 791 total units built between 2018 and 2022: Gideon at the Fields, Graham at the Fields, and Turing at the Fields, ground floor retail including a Trader Joe's, and sites planned for future development.

For information on the other top ten property taxpayers, see APPENDIX A – Fiscal Consultant’s Report.

Tax Rates

Tax rates will vary from area to area within the State, as well as within a community and a redevelopment project area. The tax rate for any particular parcel is based upon the jurisdictions levying the tax rate for the area where the parcel is located. The tax rate consists of the general levy rate of \$1.00 per \$100 of taxable value and any over-ride tax rate. The over-ride rate is that portion of the tax rate that exceeds the general levy tax rate and is levied to pay voter approved indebtedness or contractual obligations that existed prior to the enactment of Proposition XIII.

Section 34183(a)(1) of the Dissolution Act requires the County Auditor-Controller to allocate all revenues attributable to tax rates levied to make annual repayments of the principal of and interest on any bonded indebtedness for the acquisition or improvement of real property to the taxing entity levying the tax rate. As a result, the tax increment revenues being deposited into the Redevelopment Property Tax Trust Fund include only revenues derived from the general 1% levy and includes no revenues derived from over-ride tax rates that had been included in tax increment revenues prior to the dissolution of redevelopment agencies. The Fiscal Consultant's projections of tax increment available to pay debt service on the Bonds are based only on revenue derived from the general levy tax rate.

Teeter Plan

As previously indicated, the County has adopted the Teeter Plan. See "PROPERTY TAXATION IN CALIFORNIA – Rate of Collections" for a discussion of the Teeter Plan as adopted and applied by the County. Table 3 above provides data regarding actual Redevelopment Property Tax Trust Fund allocations for regular secured and unsecured taxes for the Project Area for fiscal years 2021-22 through 2025-26, which equaled 100% of the calculated amount of increment before consideration of unitary, roll corrections, and supplemental taxes. See also "APPENDIX A – Fiscal Consultant's Report."

Appeals of Assessed Values; Proposition 8 Reductions

Pursuant to California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board. After the applicant and the assessor have presented their arguments, the Appeals Board makes a final decision on the proper assessed value. The Appeals Board may rule in the assessor's favor, in the applicant's favor, or the Board may set their own opinion of the proper assessed value, which may be more or less than either the assessor's opinion or the applicant's opinion.

Any reduction in the assessment ultimately granted applies to the year for which the application is made and may also affect the values in subsequent years. Refunds for taxpayer overpayment of property taxes may include refunds for overpayment of taxes in years after that which was appealed. Current year values may also be adjusted as a result of a successful appeal of prior year values. Any taxpayer payment of property taxes that is based on a value that is subsequently adjusted downward will require a refund for overpayment.

Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of

ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Appeals may also be filed under Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property shall be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. Significant reductions have taken place in some counties due to declining real estate values. Reductions made under this code section may be initiated by the County Assessor or requested by the property owner. After a roll reduction is granted under this section, the property is reviewed on an annual basis to determine its full cash value and the valuation is adjusted accordingly. This may result in further reductions or in value increases. Such increases must be in accordance with the full cash value of the property and it may exceed the maximum annual inflationary growth rate allowed on other properties under Article XIII A of the State Constitution. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "PROPERTY TAXATION IN CALIFORNIA" above.

History of Assessed Value Appeals; Projection of Future Impact of Pending Appeals. The Fiscal Consultant reviewed assessment appeals data from the County for fiscal years 2020-21 through 2025-26, to determine the potential impact that pending appeals may have on the projected Tax Revenues. According to the Fiscal Consultant, a total of 746 appeals were filed during such period. Of those 746 appeals, 547 appeals were resolved and 199 appeals remained outstanding as of July 20, 2026. Of the 547 appeals that were resolved during such period, 84 appeals or 15.4% of resolved appeals resulted in reductions in assessed value totaling approximately \$313 million; representing an average reduction of 2.49% from the Assessor's value.

As of July 20, 2026, there were appeals pending with respect to property within the Project Area with a total assessed value of approximately \$10.56 billion. The Fiscal Consultant notes that, assuming a 2.49% reduction in assessed value (based on actual reductions of assessed value during fiscal years 2020-21 through 2025-26), the Successor Agency can expect to experience a further reduction in assessed value of approximately \$90 million based on projected resolutions of fiscal year 2025-26 appeals. Any successful appeals will also result in refunds of property taxes previously paid by property owners, which in some cases could include refunds for multiple fiscal years. The Fiscal Consultant projected a reduction in gross tax increment of approximately \$2.63 million based on the same 2.49% reduction factor applied to fiscal year 2020-21 through fiscal year 2025-26 appeals. The projections of Tax Revenues prepared by the Fiscal Consultant and set forth in the section of this Official Statement entitled "THE PROJECT AREA – Projected Tax Revenues and Estimated Debt Service Coverage" take into account reductions in assessed value and tax refunds related to pending appeals assuming a 2.49% reduction in assessed value and that such assessed value reductions would be reflected in fiscal year 2026-27 and tax refunds would be reflected in equal amounts over the next three fiscal years beginning in fiscal year 2026-27. See "APPENDIX A – FISCAL CONSULTANT'S REPORT" for further information regarding pending assessment appeals.

Table 8 of the Fiscal Consultant's Report summarizes pending assessment appeal filings in the Project Area. As noted therein, there are 199 pending appeals, of which 95 are to contest Fiscal Year 2025-26 assessed values. The aggregate Assessor value for Fiscal Year

2025-26 pending appeals is approximately \$3.6 billion and a \$1.46 billion net reduction in assessed value is requested.

Projected Tax Revenues and Estimated Debt Service Coverage

The Fiscal Consultant prepared projections of Tax Revenues for the Project Area and they are shown in Table 5 and Table 6 below. The projections in Table 5 assume 0% assessed value growth in fiscal year 2027-28 and each fiscal year thereafter. In Table 6, the Fiscal Consultant has also prepared projections of Tax Revenues for the Project Area that assume 2% annual real property assessed value growth beginning in fiscal year 2027-28.

Other assumptions made by the Fiscal Consultant in calculating the projected Tax Revenues are described in the Fiscal Consultant's Report. See "APPENDIX A – FISCAL CONSULTANT'S REPORT."

TABLE 5
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Projection of Incremental Value and Tax Revenues
(000's Omitted) – No Growth

Assessed Value ⁽¹⁾					Gross Tax Increment			Deductions			
Fiscal Year	Real Property	Personal Property	Total Assessed Value	Increment Over \$799,727 Base Year AV	Gross TI at 1% of AV Increment	Unitary Revenue ⁽²⁾	Appeal Refund ⁽³⁾	Total Gross TI	Prop Tax Admin Charge ⁽⁴⁾ at 1.02%	Statutory Pass Through	Tax Revenues
2026-27	\$10,378,391	\$1,341,440	\$11,719,831	\$10,920,105	\$109,201	\$717	(\$876)	\$109,042	(\$1,112)	(\$27,202)	\$80,727
2027-28	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	(876)	109,042	(1,112)	(27,202)	80,727
2028-29	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	(876)	109,042	(1,112)	(27,202)	80,727
2029-30	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272
2030-31	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272
2031-32	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272

(1) Reflects Assessor-reported fiscal year 2026-27 assessed values, less the estimated \$90.0 million impact resulting from pending fiscal year 2025-26 assessment appeals and assumes 0% real property assessed value growth in subsequent fiscal years.

(2) Unitary revenues are projected based on actual fiscal year 2025-26 revenues.

(3) Projected tax refund to property owners resulting from resolution of pending appeals, estimated in Section 4.2 of the Fiscal Consultant's Report, is assumed to be allocated one-third each to fiscal year 2026-27, fiscal year 2027-28, and fiscal year 2028-29 based on the timing of historic appeal resolutions in the Project Area.

(4) Property tax administrative expenses are projected based on the percentage that fiscal year 2025-26 expenses represent of gross fiscal year 2025-26 tax increment revenues (1.02%).

Source: Keyser Marston Associates, Inc.

TABLE 6
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Projection of Incremental Value and Tax Revenues
(000's Omitted) – 2% Growth

Assessed Value ⁽¹⁾					Gross Tax Increment			Deductions			
Fiscal Year	Real Property	Personal Property	Total Assessed Value	Increment Over \$799,727 Base Year AV	Gross TI at 1% of AV Increment	Unitary Revenue ⁽²⁾	Appeal Refund ⁽³⁾	Total Gross TI	Prop Tax Admin Charge ⁽⁴⁾ at 1.02%	Statutory Pass Through	Tax Revenues
2026-27	\$10,378,391	\$1,341,440	\$11,719,831	\$10,920,105	\$109,201	\$717	(\$876)	\$109,042	(\$1,112)	(\$27,202)	\$80,727
2027-28	10,585,959	1,341,440	11,927,399	11,127,672	111,277	717	(876)	111,117	(1,133)	(27,966)	82,018
2028-29	10,797,678	1,341,440	12,139,118	11,339,392	113,394	717	(876)	113,234	(1,155)	(28,745)	83,334
2029-30	11,013,632	1,341,440	12,355,072	11,555,345	115,553	717	0	116,270	(1,186)	(29,862)	85,222
2030-31	11,233,905	1,341,440	12,575,345	11,775,618	117,756	717	0	118,473	(1,208)	(30,673)	86,591
2031-32	11,458,583	1,341,440	12,800,023	12,000,296	120,003	717	0	120,720	(1,231)	(31,649)	87,839

(1) Reflects Assessor-reported fiscal year 2026-27 assessed values, less the estimated \$90.0 million impact resulting from pending fiscal year 2025-26 assessment appeals and assumes 2% real property assessed value growth in subsequent fiscal years.

(2) Unitary revenues are projected based on actual fiscal year 2025-26 revenues.

(3) Projected tax refund to property owners resulting from resolution of pending appeals, estimated in Section 4.2 of the Fiscal Consultant's Report, is assumed to be allocated one-third each to fiscal year 2026-27, fiscal year 2027-28, and fiscal year 2028-29 based on the timing of historic appeal resolutions in the Project Area.

(4) Property tax administrative expenses are projected based on the percentage that fiscal year 2025-26 expenses represent of gross fiscal year 2025-26 tax increment revenues (1.02%).

Source: Keyser Marston Associates, Inc.

TABLE 7
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
Project Area No. 1
Estimated Debt Service Coverage
(000's Omitted)

Fiscal Year	Tax Revenues	Debt Service Bonds^{(1)*}	Debt Service Coverage on Bonds*
2026-27			
2027-28			
2028-29			
2029-30			
2030-31			
2031-32			
Total			

** Preliminary; subject to change.*

(1) Represents bond year debt service.

Source: Keyser Marston Associates, Inc.; Underwriter.

RISK FACTORS

The following information should be considered by prospective investors in evaluating the Bonds. However, the following does not purport to be an exhaustive listing of risks and other considerations which may be relevant to investing in the Bonds. In addition, the order in which the following information is presented is not intended to reflect the relative importance of any such risks.

The various legal opinions to be delivered concurrently with the issuance of the Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by State and federal laws, rulings and decisions affecting remedies, and by bankruptcy, reorganization or other laws of general application affecting the enforcement of creditors' rights, including equitable principles.

Recognized Obligation Payment Schedule

The Dissolution Act provides that only those payments listed in a ROPS may be made by a successor agency from the funds specified in the ROPS. Pursuant to Section 34177 of the Health and Safety Code, by the February 1st prior to each July 1st of each year, the Successor Agency shall submit to the Oversight Board and the DOF, a ROPS. For each annual period, the Dissolution Act requires each successor agency to prepare and approve, and submit to the successor agency's oversight board and the DOF for approval, a ROPS pursuant to which enforceable obligations (as defined in the Dissolution Act) of the successor agency are listed, together with the source of funds to be used to pay for each enforceable obligation. Consequently, tax revenues will not be withdrawn from the Redevelopment Property Tax Trust Fund by the county auditor-controller and remitted to the Successor Agency without a duly approved and effective ROPS to pay debt service on the Bonds and to pay other enforceable obligations. In the event the Successor Agency were to fail to file a ROPS, the availability of tax revenues to the Successor Agency could be adversely affected for such period. See "SECURITY FOR THE BONDS - Recognized Obligation Payment Schedules."

For a description of the covenants made by the Successor Agency in the Indenture relating to the obligation to submit ROPS on a timely basis, and the Successor Agency's history of submissions of ROPS, see "SECURITY FOR THE BONDS – Recognized Obligation Payment Schedules."

AB 1484 also added provisions to the Dissolution Act implementing certain penalties in the event a successor agency does not timely submit a ROPS. Specifically, a ROPS must be submitted by the successor agency to the oversight board, to the county administrative officer, the county auditor-controller, the DOF, and the State Controller no later than the mandated deadlines. If a successor agency does not submit a ROPS by such deadlines, the city or county that established the redevelopment agency will be subject to a civil penalty equal to \$10,000 per day for every day the schedule is not submitted to the DOF. Additionally, a successor agency's maximum administrative cost allowance is reduced by 25% if the successor agency does not submit an oversight board-approved ROPS within 10 days of the deadline.

Concentration of Property Ownership

Based on fiscal year 2026-27 locally assessed taxable valuations, the following property owners represent significant ownership concentrations:

Property Owner	Percent of Total Value	% of Incremental Value
Cisco Systems Inc	6.9%	7.5%
KLA Corporation	6.7	7.2
The Fields (Lyon Living)	4.0	4.3

Each of these property owners has pending assessed value appeals with respect to their property in the Project Area. The bankruptcy, termination of operations or departure from the Project Area by one of the largest property owners from the Project Area could adversely impact the availability of Tax Revenues to pay debt service on the Bonds.

Reduction in Taxable Value

Tax increment revenue available to pay principal of and interest on the Bonds are determined by the amount of incremental taxable value in the Project Area and the current rate or rates at which property in the Project Area is taxed. The reduction of taxable values of property in the Project Area caused by economic factors beyond the Successor Agency's control, such as relocation out of the Project Area by one or more major property owners, sale of property to a non-profit corporation exempt from property taxation, or the complete or partial destruction of such property caused by, among other eventualities, earthquake or other natural disaster, could cause a reduction in the tax increment available to pay debt service on the Bonds. Such reduction of tax increment available to pay debt service on the Bonds could have an adverse effect on the Successor Agency's ability to make timely payments of principal of and interest on the Bonds; this risk could be increased by the significant concentration of property ownership in the Project Area.

The County calculates tax increment to redevelopment project areas by applying a one percent rate to the secured and unsecured incremental taxable values. The County also allocates unitary revenue on the basis of the total unitary revenue in a project area, without reductions for base year revenues. The allocation of unitary revenue is based on revenues received in 1987-88, adjusted by the actual growth or decline in unitary revenues on a countywide basis.

As described in greater detail under the heading "PROPERTY TAXATION IN CALIFORNIA – Article XIII A of the State Constitution," Article XIII A provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflation rate, not to exceed a two percent increase for any given year, or may be reduced to reflect a reduction in the consumer price index, comparable local data or any reduction in the event of declining property value caused by damage, destruction or other factors (as described above). Such measure is computed on a calendar year basis. Any resulting reduction in the full cash value base over the term of the Bonds could reduce tax increment available to pay debt service on the Bonds.

In addition to the other limitations on, and required application under the Dissolution Act of Tax Revenues on deposit in the Redevelopment Property Tax Trust Fund, the State electorate or Legislature could adopt a constitutional or legislative property tax reduction with

the effect of reducing Tax Revenues allocated to the Redevelopment Property Tax Trust Fund and available to the Successor Agency. Although the federal and State Constitutions include clauses generally prohibiting the California Legislature's impairment of contracts, there are also recognized exceptions to these prohibitions. There is no assurance that the State electorate or Legislature will not at some future time approve additional limitations that could reduce the tax increment available to pay debt service on the Bonds and adversely affect the source of repayment and security of the Bonds.

Risks to Real Estate Market

The Successor Agency's ability to make payments on the Bonds will be dependent upon the economic strength of the Project Area. The general economy of the Project Area will be subject to all of the risks generally associated with urban real estate markets. Real estate prices and development may be adversely affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, unexpected increases in development costs and by other similar factors. Further, real estate development within the Project Area could be adversely affected by limitations of infrastructure or future governmental policies, including governmental policies to restrict or control development. In addition, if there is a significant decline in the general economy of the Project Area, the owners of property within the Project Area may be less able or less willing to make timely payments of property taxes or may petition for reduced assessed valuation causing a delay or interruption in the receipt of Tax Revenues by the Successor Agency from the Project Area. See "THE PROJECT AREA – Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

Reduction in Inflationary Rate

As described in greater detail below, Article XIII A of the State Constitution provides that the full cash value of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. Such measure is computed on a calendar year basis. Because Article XIII A limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The Successor Agency is unable to predict if any further adjustments to the full cash value base of real property within the Project Area, whether an increase or a reduction, will be realized in the future.

Levy and Collection of Taxes

The Successor Agency has no independent power to levy or collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the tax increment available to pay debt service on the Bonds.

Although delinquencies in the payment of property taxes by the owners of land in the Project Area, and the impact of bankruptcy proceedings on the ability of taxing agencies to collect property taxes, could have an adverse effect on the Successor Agency's ability to make timely payments on the Bonds, the Successor Agency believes any such adverse impact is unlikely in light of the debt service coverage provided by net tax increment. See "THE PROJECT AREA - Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

Bankruptcy and Foreclosure

The payment of the property taxes from which Tax Revenues are derived and the ability of the County to foreclose the lien of a delinquent unpaid tax may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the liens to become extinguished, bankruptcy of a property owner could result in a delay in prosecuting superior court foreclosure proceedings. Although such delay would increase the possibility of delinquent tax installments not being paid in full and thereby increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds, the Successor Agency believes any such adverse impact is unlikely in light of the debt service coverage provided by fiscal year 2026-27 net tax increment. See "THE PROJECT AREA – Projected Tax Revenues and Estimated Debt Service Coverage" for a description of the debt service coverage on the Bonds.

Estimated Revenues

In estimating that net tax increment will be sufficient to pay debt service on the Bonds, the Successor Agency and Fiscal Consultant have made certain assumptions with regard to present and future assessed valuation in the Project Area, future tax rates and percentage of taxes collected. The Successor Agency believes these assumptions to be reasonable, but there is no assurance these assumptions will be realized and to the extent that the assessed valuation and the tax rates are less than expected, the net tax increment available to pay debt service on the Bonds will be less than those projected and such reduced net tax increment may be insufficient to provide for the payment of principal of, premium (if any) and interest on the Bonds.

Hazardous Substances

An additional environmental condition that may result in the reduction in the assessed value of property would be the discovery of a hazardous substance that would limit the beneficial use of taxable property within the Project Area. In general, the owners and operators of property may be required by law to remedy conditions of the property relating to releases or threatened releases of hazardous substances. The owner or operator may be required to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance. The effect, therefore, should any of the property within the Project Area be affected by a hazardous substance, could be to reduce the marketability and value of the property by the costs of remedying the condition.

Natural Disasters

The value of the property in the Project Area in the future can be adversely affected by a variety of additional factors, particularly those which may affect infrastructure and other public improvements and private improvements on property and the continued habitability and enjoyment of such private improvements. Such additional factors include, without limitation,

geologic conditions such as earthquakes, topographic conditions such as earth movements, landslides and floods and climatic conditions such as droughts. In the event that one or more of such conditions occur, such occurrence could cause damages of varying seriousness to the land and improvements and the value of property in the Project Area could be diminished in the aftermath of such events. A substantial reduction of the value of such properties could affect the ability or willingness of the property owners to pay the property taxes.

Seismic. The City, like most regions in the State of California, is located in an area of seismic activity and therefore, could be subject to potentially destructive earthquakes. The Hayward fault trends northwest through the western portion of the Milpitas foothills and the Calaveras fault trends northwest through the Calaveras Reservoir, approximately 1 1/2 miles northeast of the City. The San Andreas fault trends northwestward through the Santa Cruz Mountains approximately 13 miles southwest of the City. All of these faults are active and have produced damaging earthquakes in the historic past. Other active and potentially active faults are present in the Bay Area and may produce earthquakes that could affect the City.

The occurrence of severe seismic activity in the City could result in substantial damage to property located in the Project Area, and could lead to successful appeals for reduction of assessed values of such property. Such a reduction of assessed valuations could result in a reduction of the Tax Revenues.

Structural or Wildland Fires. In recent years, wildfires have caused extensive damage throughout the State, including within the County. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances entire neighborhoods have been destroyed. Several fires in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. In 2023, for example, devastating wildfires burned in various communities in the State, causing widespread damage. In 2025, communities in Los Angeles County, including Pacific Palisades (Palisades Fire), Malibu and Altadena (Eaton Fire), experienced widespread devastation from wildfires causing losses of life, thousands of burned homes, and billions of dollars in property damage.

On January 16, 2025, Governor Gavin Newsom issued Executive Order N-10-25 (the “**Governor’s Order**”) which canceled penalties, costs and interest on overdue property taxes within certain ZIP codes affected by the Palisades and Eaton Fires during calendar year 2025. In the event of a major fire or other natural disaster affecting the Project Area, a similar order affecting the Project Area could cause a delay in the payment of property taxes by certain property owners in areas affected by legislative or administrative tax relief similar to the Governor’s Order and impact the debt service payments for the Bonds.

Fire hazards increase with any drought period, and are highest for structures at the fringe of forested or wildland areas. In addition to the damage caused directly by a foothill fire, further damage may be caused by resulting mudslides during subsequent rains. In the event of damage to real property within the Project Area, the property owner could become unwilling or unable to pay the property taxes when due.

Flood. Approximately one-quarter of the City is within areas designated by the Federal Emergency Management Agency (“**FEMA**”) as Special Flood Hazard Areas. Special Flood Hazard Areas are areas within the 100-year flood boundary as mapped by FEMA. The Special Flood Hazard Areas within the City are generally located near the Calera, Penitencia,

Berryessa, Los Coches and Tularcitos creeks. Severe flooding in the City could result in substantial damage to property located in the Project Area, and could lead to successful appeals for reduction of assessed value of such property. Such reductions could result in reductions of the Tax Revenues.

Pandemic Diseases

Although now largely contained, the COVID-19 coronavirus pandemic, and efforts to contain the spread of the virus, for many years impacted governments, businesses and people in a manner that had negative effects on global, national and local economies. In addition, stock markets in the United States and globally saw significant declines and volatility attributed to coronavirus concerns. Future tax increment revenues available to the Successor Agency for payment of debt service on the Bonds could be negatively impacted by pandemics or other similar kinds of events in the future. The initial impact could occur because upcoming property tax installments could be deferred, or some taxpayers may be unable to make their property tax payments.

Cybersecurity

The Successor Agency, like many other public and private entities, relies on computer and other digital networks and systems to conduct its operations. As a recipient and provider of personal, private or other sensitive electronic information, the Successor Agency is potentially subject to multiple cyber threats, including without limitation hacking, viruses, ransomware, malware and other attacks. The Successor Agency is also reliant on other entities and service providers in connection with the administration of the Bonds, including without limitation the County Tax Collector for the levy and collection of property taxes, the County Auditor-Controller for distribution of the Redevelopment Property Tax Trust Fund, the Trustee, and the dissemination agent. No assurance can be given that the Successor Agency and these other entities will not be affected by cyber threats and attacks in a manner that may affect the Bond owners.

Changes in the Law

There can be no assurance that the California electorate will not at some future time adopt initiatives or that the California Legislature will not enact legislation that will amend the Dissolution Act, the Law or other laws or the Constitution of the State resulting in a reduction of tax increment available to pay debt service on the Bonds.

Loss of Tax-Exemption

As discussed under the caption "TAX MATTERS," interest on the Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Successor Agency in violation of its covenants in the Indenture. In addition, current and future legislative proposals, if enacted into law, may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation by, for example, changing the current exclusion or deduction rules to limit the aggregate amount of interest on state and local government bonds that may be treated as tax exempt by individuals. Should such an event of taxability occur, the Bonds are not subject to special redemption and will remain outstanding until maturity or until redeemed under other provisions set forth in the Indenture.

Secondary Market

There can be no guarantee that there will be a secondary market for the Bonds, or, if a secondary market exists, that the Bonds can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon the then prevailing circumstances.

TAX MATTERS

In the opinion of Jones Hall LLP, as Bond Counsel, subject, however to the qualifications set forth below, under existing law, the interest on the Bonds is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986, as amended (the “**Tax Code**”) that must be satisfied subsequent to the issuance of the Bonds. The Successor Agency has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of such interest in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds.

If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is less than the amount payable at maturity thereof, then such difference constitutes “original issue discount” for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public (excluding bond houses and brokers) at which a Bond is sold is greater than the amount payable at maturity thereof, then such difference constitutes “original issue premium” for purposes of federal income taxes and State of California personal income taxes. De minimis original issue discount and original issue premium is disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Bonds to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Bond. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Bonds who purchase the Bonds after the initial offering of a substantial amount of such maturity. Owners of such Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Bonds under federal individual and corporate alternative minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Bond (said term being the shorter of the Bond’s maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Bond for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Bond is amortized each year over the term to maturity of the Bond on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). Amortized Bond premium is not deductible for federal income tax purposes. Owners of premium Bonds, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Bonds.

In the further opinion of Bond Counsel, interest on the Bonds is exempt from California personal income taxes.

Owners of the Bonds should also be aware that the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may have federal or state tax consequences other than as described above. Bond Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Bonds other than as expressly described above.

MUNICIPAL ADVISOR

The Successor Agency has retained Fieldman Rolapp & Associates, Inc., as municipal advisor (“**Municipal Advisor**”) in connection with the authorization, issuance, sale and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The Municipal Advisor is an independent registered municipal advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

UNDERWRITING

The Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated, as underwriter (the “**Underwriter**”). The Underwriter has agreed to purchase the Bonds at a price of \$_____ (being the principal amount of the Bonds [plus/less] a net original issue [premium/discount] of \$_____ and less an Underwriter’s discount of \$_____). The Underwriter will purchase all of the Bonds if any are purchased. The Underwriter may offer and sell Bonds to certain dealers and others at a price lower than the offering price stated on the inside cover page of this Official Statement. The offering price may be changed from time to time by the Underwriter.

RATING

S&P Global Ratings (“**S&P**”) has assigned its rating of “___” to the Bonds. The rating issued reflects only the view of S&P, and any explanation of the significance of such rating should be obtained from S&P. There is no assurance that such rating will be retained for any given period of time or that it will not be revised downward or withdrawn entirely by S&P if, in the judgment of S&P, circumstances so warrant. Any such downward revision or withdrawal of any rating obtained may have an adverse effect on the market price of the Bonds.

CONTINUING DISCLOSURE

The Successor Agency will covenant for the benefit of owners of the Bonds to provide certain financial information and operating data relating to the Successor Agency by not later than March 31 after the end of each fiscal year of the Successor Agency (currently June 30th), commencing not later than March 31, 2027 with the report for the 2025-26 fiscal year (the “**Annual Report**”), and to provide notices of the occurrence of certain listed events. This Official Statement constitutes the Annual Report for the 2025-26 fiscal year, however the Successor Agency shall provide its audited financial statements for the 2025-26 fiscal year when available.

The specific nature of the information to be contained in the Annual Report or the notices of listed events is summarized in “APPENDIX D – FORM OF SUCCESSOR AGENCY CONTINUING DISCLOSURE CERTIFICATE,” attached to this Official Statement. These covenants have been made in order to assist the Underwriter (as defined below) in complying with Securities Exchange Commission Rule 15c2 12(b)(5) (the “**Rule**”).

The City and certain related entities, including the Successor Agency, previously entered into certain disclosure undertakings under the Rule in connection with the issuance of long-term obligations. During the past five years, the City and such related entities have, in some instances, failed to comply with their undertakings as follows: _____.

CONCLUDING INFORMATION

Legal Matters

The final approving opinion of Jones Hall LLP, as Bond Counsel, will be furnished to the purchaser at the time of delivery of the Bonds. A copy of the proposed form of Bond Counsel’s final approving opinion with respect to the Bonds is attached hereto as APPENDIX C. Certain legal matters will be passed on by Jones Hall LLP, as Disclosure Counsel and Stradling Yocca Carlson & Rauth LLP, as Underwriter’s Counsel. In addition, certain legal matters will be passed upon for the Successor Agency by the City Attorney of the City. *Compensation paid to Bond Counsel, Disclosure Counsel and Underwriter’s Counsel is contingent upon the sale and delivery of the Bonds.*

No Litigation

There is no action, suit or proceeding known to the Successor Agency to be pending and notice of which has been served upon and received by the Successor Agency, or threatened, restraining or enjoining the execution or delivery of the Bonds or the Indenture or in any way contesting or affecting the validity of the foregoing or any proceedings of the Successor Agency taken with respect to any of the foregoing or seeking to restrain or enjoin the repayment of the Bonds or which, in any manner, questions the right of the Successor Agency to use the Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Successor Agency to collect or pledge the Tax Revenues.

Audited Financial Statements

The City of Milpitas’s Annual Comprehensive Financial Report for Fiscal Year Ended June 30, 2025 (the “**City ACFR**”) is attached as APPENDIX E. The City’s ACFR includes the Successor Agency’s audited financial statements for the fiscal year ended June 30, 2025. The Successor Agency’s audited financial statements were audited by Maze & Associates, Accountancy Corporation (the “**Auditor**”). The Auditor has not been asked to consent to the inclusion of the Successor Agency’s audited financial statements in this Official Statement and has not reviewed this Official Statement. *As described in “SECURITY FOR THE BONDS – Limited Obligation,” the Bonds are payable from and secured by a pledge of Tax Revenues and the Bonds are not a debt of the City. The City’s ACFR is attached as Appendix E to this Official Statement only because it includes the Successor Agency’s audited financial statements.*

The execution and delivery of this Official Statement by its Chief Financial Officer/Treasurer has been duly authorized by the Successor Agency.

By: _____
 Chief Financial
 Officer/Treasurer

APPENDIX A
FISCAL CONSULTANT'S REPORT



KEYSER MARSTON ASSOCIATES

FISCAL CONSULTANT REPORT MILPITAS REDEVELOPMENT PROJECT AREA NO. 1

Prepared for:

**SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY**

Prepared by:

Keyser Marston Associates, Inc.

August 24, 2026

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1.0 INTRODUCTION

This Fiscal Consultant Report provides a review of assessed values and a projection of Tax Revenues of the Successor Agency to the Former Milpitas Redevelopment Agency (“Successor Agency”). The Successor Agency is proposing issuance of its 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “Bonds”).

The Bonds are secured by property tax revenues allocated to the Redevelopment Property Tax Trust Fund (“RPTTF”) of the Successor Agency and generated by its Redevelopment Project Area No. 1 (the “Project Area”). Proceeds of the Bonds will be used to refund the Successor Agency’s outstanding 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1).

1.1 Redevelopment Dissolution in California

Redevelopment agencies in California were dissolved under Assembly Bill (“AB”)x1 26 enacted June 2011 and amended by AB 1484 enacted June 2012 and Senate Bill (“SB”) 107 enacted September 2015 (“Dissolution Statutes”). ABx1 26 became effective following the December 29, 2011, California Supreme Court decision upholding ABx1 26 while finding companion bill ABx1 27, which would have provided for continued existence of redevelopment agencies agreeing to make specified payments, to be unconstitutional. Successor agencies were established to wind down the affairs of former redevelopment agencies and administer their financial obligations.

Prior to the passage of ABx1 26, the California Community Redevelopment Law (“CRL”) and Article XVI, Section 16 of the California Constitution authorized former redevelopment agencies to receive that portion of property tax revenue generated from the increase of taxable values over the base year taxable values that existed at the time of adoption of a redevelopment project. This portion of property tax revenue was referred to as tax increment. Tax increment could be pledged by a redevelopment agency for the repayment of bonded indebtedness.

Under the Dissolution Statutes, the allocation of tax increment revenues was modified to require county auditor-controllers to deposit former tax increment revenues into the RPTTF for each successor agency. Property taxes in the RPTTF are allocated twice yearly for the payment of (1) certain county administrative costs; (2) pass through payments required by statute or contractual agreement to local government agencies whose tax bases overlap the project area boundaries of the former redevelopment agency; (3) Enforceable Obligations (as defined in the Dissolution Statutes) of the successor agency, as identified by dollar amounts on a Recognized Obligation Payment Schedule (“ROPS”) approved by a countywide oversight board and the State Department of Finance; and (4) administrative costs of the successor agency. The distributions are paid twice a year on January 2nd and June 1st. Upon paying for these obligations, ABx1 26 requires county auditor-controllers to distribute any remaining RPTTF revenues as property taxes to local government agencies whose tax bases overlap the

Successor Agency's project areas. The Dissolution Statutes eliminated the previous requirement to set aside 20% of the former tax increment revenues for affordable housing in a separate housing fund. Successor agencies are precluded from incurring new financial obligations with limited exceptions, including the issuance of refunding bonds under the conditions specified in the California Health and Safety Code ("H&S") Section 34177.5(a)(1).

1.2 Revenues Pledged for Payment of the Bonds

The revenues pledged for payment of the Bonds ("Tax Revenues") are defined in the Indenture of Trust for the Bonds and include all property tax revenues deposited into the RPTTF for the Successor Agency, excluding amounts required to be paid for:

- (1) County administrative costs pursuant to H&S Section 34183(a); and
- (2) Pass through payments to affected taxing agencies pursuant to H&S Section 33607.5 and 33607.7, unless such payments are subordinated (the Successor Agency has not requested subordination of pass throughs).

Section 2.2 describes the county administrative costs and pass through payment obligations of the Successor Agency.

1.3 Purpose of this Report

This report provides a projection of Tax Revenues available for allocation to the Successor Agency for payment of the Bonds based upon reported FY 2026-27 assessed values and the property tax apportionment and pass through calculation procedures of the County of Santa Clara ("County") Controller-Treasurer. This report also provides information regarding the applicable redevelopment plan limits, historic assessed value trends, assessed values by land use, top ten property taxpayers, potential valuation impacts from pending assessment appeals, and a history of Tax Revenues.

2.0 THE PROJECT AREA

The Project Area encompasses approximately 2,230 acres of territory, including the “Original Area” adopted in 1976 and three separate expansions: the First Amendment Area (483 acres added in 1979), the Second Amendment Area (479 acres added in 1982), and the Midtown Area (691 acres added in 2003). The Project Area encompasses a mix of residential, light industrial / research and development (R&D), and commercial uses. The Project Area includes the City’s downtown and Bay Area Rapid Transit (BART) station area.

In 2006, the Project Area was merged with the Great Mall Redevelopment Project Area; however, the Great Mall area does not generate tax increment. The assessed value information in this report does not include the Great Mall area since no revenues derive from this area.

2.1 Redevelopment Plan Limits

Table 1 summarizes the applicable redevelopment plan limits for the Project Area. Time and dollar limits on the allocation of revenues contained in the Redevelopment Plan have been eliminated for the purposes of payment of Enforceable Obligations, including the Bonds, pursuant to H&S Section 34189(a).

The Project Area has a bonded indebtedness limit of \$498,000,000, which limit remains effective. The Successor Agency will remain in compliance with the bonded indebtedness limit following issuance of the Bonds.

Table 1. Redevelopment Plan Adoption Dates and Plan Limits					
	Original	First Amendment	Second Amendment	Midtown	Total
Date Adopted	Sept. 21, 1976	Sept. 4, 1979	May 4, 1982	June 17, 2003	
Land Area	577 acres	483 acres	479 acres	691 acres	2,230 acres
Time Limit to Repay Debt	Eliminated by H&S Section 34189(a)				
Cumulative Revenue Limit					
Bonded Indebtedness Limit	\$498,000,000				

2.2 Exclusions from Tax Revenues

Following is a description of the Successor Agency’s pass through and County administrative fee obligations that are excluded from Tax Revenues available for debt service on the Bonds.

a. County Administrative Fees

California Revenue and Taxation Code Section 95.3 provides for recovery of a proportionate share of County property tax administration expenses from all non-school agencies including former redevelopment agencies. H&S Section 34182(a)(3) allows for recovery of County expenses related to dissolution of redevelopment agencies. County administrative charges to the Successor Agency in FY 2025-26 totaled approximately \$1,034,000. This equates to approximately 1.02% of gross deposits to the RPTTF. The revenue projections included in this report assume County administrative charges continue to equate to approximately 1.02% of gross deposits to the RPTTF in subsequent fiscal years. Payments are excluded from Tax Revenues available for debt service on the Bonds.

b. AB 1290 Statutory Pass Throughs

Statutory pass through payments under AB 1290 (H&S Sections 33607.5 and 33607.7) apply to all sub-areas of the Project Area and are payable to all taxing agencies. For the Original, First, and Second Amendment Areas, the obligation was triggered by a 1996 amendment to increase the cumulative tax increment limit. Payments to all taxing agencies within those sub-areas commenced in FY 2001-02 and are calculated based on growth over FY 2000-01 assessed values. For the Midtown Area, statutory pass through obligations have applied since adoption.

Payments are calculated based on revenues after deduction of the 20% portion of revenues formerly required to be deposited into a separate Low and Moderate Income Housing Fund. Three tiers of payments are required, as follows:

- Tier one payments in the Original, First, and Second Amendment Areas commenced in FY 2001-02 and equal 25% of the revenues derived from growth in assessed value over the FY 2000-01 adjusted base year assessed value, multiplied by each taxing agency's respective share of revenues. In the Midtown Area, tier one payments have applied since adoption of the sub-area and are calculated on 100% of gross tax increment.
- Tier two payments in the Original, First, and Second Amendment Areas commenced in FY 2011-12 and are based on 21% of the revenues derived from growth in assessed value over the FY 2010-11 adjusted base year assessed value, multiplied by each taxing agency's respective share of revenues. In the Midtown Area, tier two payments commenced in FY 2014-15 and are based on revenues derived from growth in assessed value over the FY 2013-14 adjusted base year assessed value.
- Tier three payments in the Original, First, and Second Amendment Areas commence in FY 2031-32 and are based on 14% of the revenues derived from growth in assessed value over the FY 2030-31 adjusted base year assessed value, multiplied by each taxing agency's respective share of revenues. In the Midtown Area, tier three payments would

commence in FY 2034-35; however, the Successor Agency is projected to dissolve prior to that, after making the final payment on its enforceable obligations in FY 2033-34.

All taxing agencies receive their respective percentage share of tier one payments, and taxing agencies other than the City receive their respective share of tier two and tier three payments. Statutory pass through payments are projected to total \$27,202,000 for FY 2026-27, based on the assumptions utilized in the revenue projections presented in Section 6.

3.0 ASSESSED VALUES

3.1 Current Year Assessed Values

The County Assessor annually prepares the assessment roll identifying the assessed values of each property within the county. Assessed values reflect value as of the January 1st preceding the beginning of the fiscal year. Each property assessment is assigned a unique Assessor Parcel Number (“APN”) that corresponds to assessment maps prepared by the County. Each APN is included within a Tax Rate Area (“TRA”), a geographic subarea with a common distribution of taxes. The Project Area encompasses APNs within TRAs 012-001, -011, -029, -031, -055, and -056. The FY 2026-27 assessment roll reflects values as of January 1, 2026.

The County Controller-Treasurer is responsible for the aggregation of the assessed values assigned by the Assessor for properties within the boundaries of the Project Area. This results in the reported total current year assessed value for the Project Area.

The incremental assessed value equals the amount by which current year assessed value in the Project Area exceeds the base year assessed value established at the time of adoption of each sub-area. Incremental assessed value becomes the basis for determining the amount of property tax revenue to be deposited into the RPTTF of the Successor Agency.

Table 2 summarizes the total and incremental taxable assessed values for the Project Area as of FY 2026-27. The amounts are net of tax-exempt property.¹

Table 2. FY 2026-27 Assessed Values, Milpitas Redevelopment Project Area No. 1		
	Assessed Value	Percent of Total
Secured	\$10,870,678,997	92.0%
Unsecured	938,829,364	7.9%
SBE Utility	290,124	0.0%
Total Assessed Value	11,809,798,485	100.0%
Less: Base Year Assessed Value	\$799,726,839	6.8%
Incremental Assessed Value	\$11,010,071,646	93.2%

Sources: Santa Clara County Assessor and Santa Clara County Controller-Treasurer.

The secured assessment roll includes property for which taxes levied by the County become a lien on that property. The unsecured assessment roll includes other properties such as tenant improvements, trade fixtures, personal property and possessory interests constituting a right to the possession and use of property owned by a governmental agency for a period less than

¹ Except for the homeowner’s exemption which is reimbursed to local governments through a State subvention and is included as part of RPTTF revenue.

perpetuity. Utility assessed value includes non-unitary property owned by utilities and railroads that is assessed by the California State Board of Equalization but is not related to the company's core business.

3.2 Real and Personal Property

Real property, as referred to in this report, is defined to represent land and improvement assessed values on both the secured and unsecured property tax rolls of the County Assessor. Annual increases in the assessed value of real property are limited to an annual inflationary increase of up to 2%, as governed by Article XIII A of the California Constitution and known as the Proposition 13 inflation factor. Real property values may increase or decrease upon a change of ownership or new construction and result in establishment of a new base year value for purposes of the 2% maximum increase. As discussed below, the assessed value of taxable property is subject to reduction under certain conditions.

The Proposition 13 inflation factor is tied to the change in the California Consumer Price Index ("CCPI") and may be less than 2% if the CCPI increases by less than 2%. The CCPI adjustment is based on the change in the CCPI from October to October of the following year. The Proposition 13 inflation factor for FY 2026-27 is 2%. Table 3 provides a ten-year history of Proposition 13 inflation factors. The annual Proposition 13 factor was less than 2% in FY 2021-22 (1.036%).

Table 3. Prop 13 Inflation Factors, Ten-Year History	
Fiscal Year	Inflation Factor
2017-18	2.000%
2018-19	2.000%
2019-20	2.000%
2020-21	2.000%
2021-22	1.036%
2022-23	2.000%
2023-24	2.000%
2024-25	2.000%
2025-26	2.000%
2026-27	2.000%

Assessed value of real property may be adjusted downward if market value declines, either through the assessment appeals process described in Section 4 or through an adjustment by the Assessor. In the event of a decline in market value, values are then subject to restoration over time as market values increase, up to the Proposition 13 base year assessed value established for the property upon completion of construction or transfer of ownership, as such base year assessed value is adjusted for annual inflationary increases under Proposition 13 of up to 2%.

The assessed value of Personal Property is not subject to the maximum 2% inflationary increase and is subject to annual appraisal, either upward or downward. Properties assessed by the State Board of Equalization (“SBE”), including railroads and utilities, are valued annually and are not subject to the 2% limitation on annual increases.

3.3 Historic Taxable Values

Aggregated taxable assessed values for the Project Area from FY 2017-18 to FY 2026-27 are summarized in Table 4. Assessed values of the Project Area increased at an annualized rate of 4.9% over the 10-year period from FY 2017-18 to FY 2026-27 and by 2.6% from FY 2025-26 to FY 2026-27.

Fiscal Year	Assessed Value (\$Thousands)	% Change
2017-18	\$7,683,435	
2018-19	7,979,045	3.8%
2019-20	8,804,547	10.3%
2020-21	9,412,669	6.9%
2021-22	9,812,441	4.2%
2022-23	10,701,854	9.1%
2023-24	11,034,952	3.1%
2024-25	11,414,160	3.4%
2025-26	11,508,621	0.8%
2026-27	11,809,798	2.6%
10-Year Annualized		4.9%

3.4 Values by Property Use

Taxable assessed values by land use category for FY 2026-27 are presented in Table 5. The analysis is based upon the Santa Clara County Assessor’s land use classifications applicable to the secured roll. The County Assessor does not assign a land use classification to unsecured property.

Chart 1. FY 2026-27 Percent of Taxable Assessed Values by Land Use for the Project Area

As shown in Chart 1 and Table 5, residential uses comprise 56.5% of FY 2026-27 taxable assessed value in the Project Area; R&D and industrial uses 25.5%; commercial uses 6.8%; vacant land 1.8%; other secured property 1.5%; and unsecured property 7.9%.

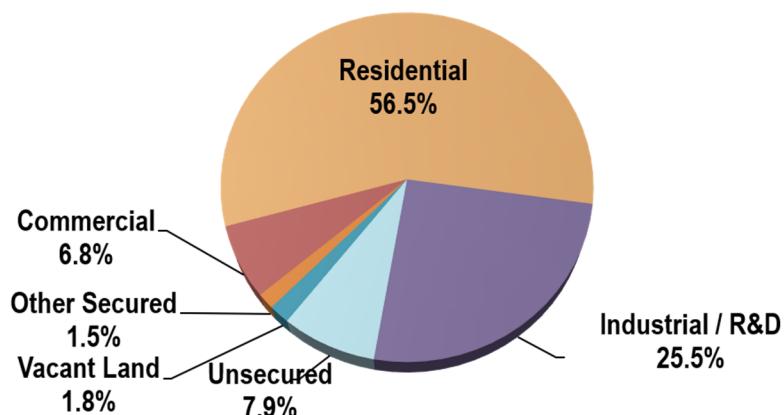


Table 5. Taxable Assessed Values by Land Use, FY 2026-27

Land Use Type	Taxable Value	% of Total	Parcels ⁽¹⁾
Residential			
Condo and Townhouse	\$3,068,526,527	26.0%	3,310
Single Family	1,907,870,045	16.2%	2,159
Multifamily	<u>1,699,438,376</u>	<u>14.4%</u>	<u>28</u>
	\$6,675,834,948	56.5%	5,497
Industrial			
Research and Development	\$2,103,345,577	17.8%	30
Warehouse	129,404,242	1.1%	15
Other Industrial Uses	<u>778,508,916</u>	<u>6.6%</u>	<u>113</u>
	\$3,011,258,735	25.5%	158
Commercial			
Retail	\$329,484,915	2.8%	110
Hotel	285,633,376	2.4%	14
Office	126,632,004	1.1%	66
Mixed Use	56,310,139	0.5%	3
Other Commercial	<u>7,025,843</u>	<u>0.1%</u>	<u>6</u>
	\$805,086,277	6.8%	199
Vacant Land	\$206,721,685	1.8%	185
Other Secured	\$172,067,476	1.5%	161
Unsecured	\$938,829,364	7.9%	2,673
Total	\$11,809,798,485	100.0%	8,873

(1) Includes 6,200 secured parcels and 2,673 unsecured assessments (8,873 total). SBE value is included within Other Secured with no parcel count attributed.

Source: Santa Clara County Assessor

3.5 Ten Largest Taxpayers

The ten largest taxpayers for the Project Area for FY 2026-27 are identified in Table 6. The ten largest taxpayers for FY 2026-27 represent 28.2% of total assessed value and 30.3% of incremental assessed value for the Project Area.

Multiple legal entities affiliated with a single ownership are aggregated; for example, Cisco Systems Inc includes four separate entities listed on the roll: Cisco Systems Capital Corp, Cisco Systems Inc, Cisco Systems Workplace Resources SF Water, and Cisco Technology Inc., which are aggregated for the analysis of top taxpayers. The footnotes to Table 6 identify the included legal entities where multiple entities are aggregated.

Table 6. Ten Largest Taxpayers, FY 2026-27

Taxpayer	Land Use(s) or Description	No. of Parcels and Unsecured Assessments	2026-27 Assessed Value			% Assessed Value ⁽¹⁾	
			Secured	Unsecured	Total	% Total	% Incr.
1. Cisco Systems Inc ^{(2) (5)}	R&D / Light Industrial, Unsecured	25	\$532,167,435	\$288,558,287	\$820,725,722	6.9%	7.5%
2. KLA Corporation ^{(3) (5)}	R&D / Light Industrial	4	793,214,481	190,058	793,404,539	6.7%	7.2%
3. The Fields (Lyon Living) ^{(4) (5)}	Multifamily, Vacant Land	7	474,958,437	-	474,958,437	4.0%	4.3%
4. WDMICA001 LP ⁽⁵⁾	R&D / Light Industrial	6	203,468,579	-	203,468,579	1.7%	1.8%
5. WH Silicon Valley VI LP ⁽⁵⁾	R&D / Light Industrial	11	199,232,136	-	199,232,136	1.7%	1.8%
6. LMC Milpitas Holdings I LLC ⁽⁵⁾	Multifamily	1	191,475,079	-	191,475,079	1.6%	1.7%
7. Essex Portfolio LP ⁽⁵⁾	Multifamily	1	184,635,642	-	184,635,642	1.6%	1.7%
8. 501 Murphy Ranch LP	Multifamily	1	163,119,346	-	163,119,346	1.4%	1.5%
9. MG Eleanor Apartments LLC et al.	Multifamily, Retail	1	159,468,703	-	159,468,703	1.4%	1.4%
10. Timber SOMA MC LP ⁽⁵⁾	R&D / Light Industrial	3	145,017,461	-	145,017,461	1.2%	1.3%
Total Top 10 Taxpayers		60	\$3,046,757,299	\$288,748,345	\$3,335,505,644	28.2%	30.3%

(1) Based upon FY 2026-27 assessed value of \$11,809,798,485 and incremental assessed value of \$11,010,071,646.

(2) Includes Cisco Systems Capital Corp, Cisco Systems Inc, Cisco Systems Workplace Resources SF Water, Cisco Technology Inc.

(3) Includes KLA Corp, KLA Tencor Corp.

(4) Includes Fields CH Owner LLC, Milpitas District 1 Owner LLC, Milpitas District 2 Assc LLC, Milpitas District 4 Owner LLC.

(5) Property owner has a pending assessment appeal. See Tables 10 and 11 for more information.

Source: Santa Clara County Assessor

The following provides a brief description of each of the top ten taxpayers for the Project Area.

1. Cisco Systems, Inc. is a global networking, cybersecurity, and data center provider that owns a five-building research and development campus in the Project Area near the SR-237 and I-880 interchange, encompassing approximately 1.1 million square feet of research and development space across 70 acres.
2. KLA Corporation, which designs, manufactures, and sells semiconductor process-control and yield-management equipment, owns its global headquarters and principal research and development campus on Technology Drive in the Project Area. The 39-acre campus includes six buildings totaling approximately 770,000 square feet.
3. The Fields encompasses three multifamily rental properties with 791 total units built between 2018 and 2022: Gideon at the Fields, Graham at the Fields, and Turing at the Fields, ground floor retail including a Trader Joe's, and sites planned for future development.
4. WDMICA001 LP owns five buildings with approximately 580,000 square feet of research and development space leased to SanDisk Corporation, a global producer of solid-state memory drives, as its headquarters campus.
5. WH Silicon Valley VI LP owns the multi-tenant Tasman Tech campus at McCarthy Boulevard and Tasman Drive encompassing 14 buildings and approximately 609,000 square feet of research and development space.
6. LMC Milpitas Holdings I LLC owns Capitol 650, a multifamily property near the Milpitas BART station with 351 units built in 2018 and 2019.
7. Essex Portfolio LP owns Apex, a 367-unit apartment community proximate to the Great Mall built in 2013 and 2014.
8. 501 Murphy Ranch LP owns Griffis South Bay, a 373-unit apartment community built in 2012.
9. MG Eleanor Apartments LLC owns a multifamily property with 333 units, built in 2021, located on Gates Drive near the Milpitas BART station.
10. Timber SOMA MC LP owns the five-building Murphy Crossing research and development campus along McCarthy Boulevard and Murphy Ranch Road totaling approximately 370,000 square feet.

The above taxpayer descriptions are based on information obtained from publicly available sources including company and property websites, market data provider CoStar with respect to

multifamily property unit counts and building square feet, year built, and the name being used for marketing of the property, the Santa Clara County Assessor's interactive map for identification of the location of properties that correspond to each ownership, RealQuest for parcel maps, property acres, year built, and land use, and Google Maps to assist with descriptive information regarding property location and number of buildings.

4.0 ASSESSMENT APPEALS

Property values determined by the County Assessor may be subject to an appeal by the property owner. Assessment appeals are filed annually with the Santa Clara County Assessment Appeals Board for a hearing and resolution. A property owner can file a regular assessment appeal of current fiscal year assessed values between July 2 and September 15. Revenue and Taxation Code Section 1604 allows up to two years for an assessment appeal to be decided unless this time limit is waived by the applicant. If the appeal is not decided within the two-year statutory time frame and the time limit is not waived, the assessor is required to apply the applicant's opinion of value.

Proposition 8 ("Prop 8") appeals relate to temporary declines in market value. Assessed value reductions from Prop 8 appeals are subject to annual review by the Assessor and potential restoration over time based on future increases in market value. "Base year" appeals contest the Proposition 13 base year value established upon a re-assessable event, such as a change in ownership or new construction. Because the base year value carries forward, a reduction granted on a base year appeal lowers assessed value in the year of the appeal and in each subsequent year, until a new base year value is established by a later change in ownership or new construction.

Resolution of an appeal may result in a reduction to the Assessor's original taxable value and a tax refund to the property owner. Property tax refunds arising from successful assessment appeals within the Project Area are allocated to the Successor Agency and reduce the funds available in the RPTTF. As a result, pending appeals present two primary risks: a potential reduction in future year assessed values and RPTTF revenue, and a reduction in RPTTF revenue in the year in which tax refunds are issued.

The Assessor may proactively review and reduce assessed values for declines in market values without an assessment appeal filing, pursuant to Proposition 8. In the event of a proactive reduction in assessed value by the Assessor, values are subject to restoration over time as market values increase, as with Proposition 8 appeal reductions.

4.1 Historic Appeals Filing Outcomes: FY 2020-21 to FY 2025-26

Table 7 summarizes assessment appeal filing outcomes within the Project Area for appeals of FY 2020-21 to FY 2025-26 assessed values using data extracted from the County's Assessment Appeals database². The appeals database includes 547 resolved appeal records during this period. Of the 547 resolved appeal records, 15.4% resulted in a reduction in assessed value and 84.6% of appeal filings were denied, deemed incomplete or untimely, or withdrawn by the applicant.

² Appeals data was provided on July 20, 2026. Data on appeals of FY 2026-27 assessed values was not yet available.

Resolved appeals in the Project Area during FY 2020-21 to FY 2025-26 had an aggregate Assessor value of \$12.6 billion and resulted in an assessed value reduction of \$313 million, representing an average reduction of 2.49% from the Assessor's value.

Some property owners have a practice of filing assessment appeals most years. For example, KLA Corporation, one of the top taxpayers, filed assessment appeals in each of the last six fiscal years.

Table 7. Assessment Appeal Filing Outcomes: FY 2020-21 to FY 2025-26										
Fiscal Year	Total Filings	Open Filings	Number of Resolved Appeals			Assessed Valuation: Resolved Appeals (\$Millions)				
			Total	Denied or Withdrawn	Assessed Value Reduced	Assessor / Roll Value	Applicant Opinion of Value	Resolved Value	Net Reduction in Value	Average % Reduction
2020-21	105	1	104	99	5	\$1,952	\$1,207	\$1,945	\$7	0.4%
2021-22	125	2	123	93	30	2,037	1,196	2,025	12	0.6%
2022-23	70	2	68	61	7	1,980	1,055	1,949	31	1.5%
2023-24	162	24	138	113	25	2,511	1,417	2,310	201	8.0%
2024-25	162	75	87	72	15	3,820	2,638	3,759	61	1.6%
2025-26	122	95	27	25	2	272	190	271	0	0.1%
Total	746	199	547	463	84	\$12,572	\$7,704	\$12,259	\$313	2.49%
% Total			100%	84.6%	15.4%					

Source: Santa Clara County Assessment Appeals Board database provided July 20, 2026.

The appeal outcomes in Table 7 reflect only those appeals for which the County's appeals database records a reduced enrolled value. The data does not capture assessed-value reductions granted administratively by the Assessor. Table 12 in Section 5.4 identifies approximately \$16.7 million in total property owner refunds for the FY 2021-22 to FY 2025-26 period, covering both appeal-related refunds and other Assessor roll corrections and adjustments. That amount exceeds the approximately \$3.1 million estimated impact on gross property tax revenues from the appeal resolutions recorded in the County's database, as summarized in Table 7.

4.2 Estimated Value Reductions from Pending Assessment Appeals

Table 8 summarizes pending assessment appeal filings in the Project Area. There are 199 pending appeals, of which 95 are to contest FY 2025-26 assessed values. The aggregate Assessor value for FY 2025-26 pending appeals is approximately \$3.6 billion and a \$1.46 billion net reduction in assessed value is requested.

Table 8. Pending Assessment Appeals				
	No. of Open Appeals	Contested Value Represented (\$Millions)	Applicant Opinion of Value (\$Millions)	Applicant Requested Net Reduction in Value (\$Millions)
FY 2025-26 Open Appeal Filings	95	\$3,613	\$2,154	\$1,459
Prior Year Filings (FY 2020-21 to FY 2024-25)	104	6,944	3,689	3,255
Total	199	\$10,557	\$5,843	\$4,714

Source: Santa Clara County Assessment Appeals Board database provided July 20, 2026.

An estimate of the assessed value impact of pending appeals is provided in Table 9. The 95 FY 2025-26 pending appeals are estimated to result in a net assessed value reduction of \$90.0 million. The estimated reduction in assessed values is based on the 2.49% average reduction applicable to the 547 resolved appeal filings summarized in Table 7.

The \$90.0 million estimated reduction in assessed value from pending appeals is incorporated into the revenue projections provided in Section 6 as a reduction to projected FY 2026-27 assessed values.

Table 9. Projected Assessed Value Reduction from Pending Appeals (All Appeal Years)						
	No. of Pending Appeal Filings	Assessor Value (\$Millions)	Applicant Opinion of Value (\$Millions)	Projected Resolved Value (\$Millions)	Projected Net Reduction in Value (\$Millions) ⁽¹⁾	Impact to Gross Tax Increment (\$Thousands) ⁽¹⁾
FY 2025-26 Open Appeal Filings	95	\$3,613	\$2,154	\$3,523	(\$90.0)	(\$900)
Prior Year Filings (FY 2020-21 to FY 2024-25)	104	6,944	3,689	6,771	(172.9)	(1,729)
Total	199	\$10,557	\$5,843	\$10,294	(\$262.9)	(\$2,629)

(1) Projected net reduction reflects the 2.49% average reduction for resolved appeals during the FY 2020-21 to FY 2025-26 period.

Appeals of FY 2024-25 and prior year assessed valuations are not assumed to impact future year assessed values. For properties with pending appeal filings for both FY 2025-26 and previous years, the projected resolution of the FY 2025-26 appeal is assumed to be the most relevant basis for representing the potential future year assessed value reduction. For properties where FY 2025-26 assessed values are not contested, an adjustment to future year assessed values is not assumed to be warranted based on a pending appeal for a preceding year. Although Prop 8 reductions resulting from successful assessment appeal filings may be restored over time as market valuations increase, for purposes of the revenue projections provided in Section 6, assessed value reductions from appeals are assumed to be permanent.

Successful appeals result in a property tax refund to the property owner in the year in which the appeal is resolved. Property tax refunds associated with resolution of FY 2020-21 to FY 2025-

26 pending appeals in the Project Area are projected to total approximately \$2.6 million. For purposes of the revenue projections in Section 6, this \$2.6 million projected property tax refund is allocated across FY 2026-27 through FY 2028-29 based on the timing of historic appeal resolutions in the Project Area.

Resolution of appeals is determined by factors unique to the individual assessment, such as vacancy and rental rates, circumstances of hardship, and comparable sales. An appeal may be withdrawn by the applicant, the Appeals Board may deny or modify the appeal at hearing or by stipulation, or the final value may be adjusted to an amount other than the stated opinion of value. Actual reductions in assessed value, if any, may be higher or lower than the estimated reductions identified in Table 9 and incorporated into the revenue projections provided in Section 6.

4.3 Pending FY 2025-26 Appeal Filings by Top Ten Taxpayers

Tables 10 and 11 summarize pending FY 2025-26 appeals by the top taxpayers. Seven of the top ten taxpayers have pending appeal filings for FY 2025-26. Pending appeals by the top taxpayers represent 30 of the 95 total appeals filed within the Project Area for FY 2025-26 and have an aggregate Assessor value of \$2.4 billion. The aggregate reduction in assessed value estimated for pending appeals by the top taxpayers is \$60.2 million, 67% of the \$90.0 million estimated assessed value reduction for all FY 2025-26 pending appeals. The \$60.2 million estimated reduction in assessed value for the top ten taxpayers would result in an approximately \$374,000 reduction in annual Tax Revenues.

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Total
1. Cisco Systems Inc	0	0	0	4	5	5	14
2. KLA Corporation	1	1	1	1	6	1	11
3. The Fields (Lyon Living)	0	0	0	0	5	7	12
4. WDMICA001 LP	0	0	0	0	4	0	4
5. WH Silicon Valley VI LP	0	0	0	2	1	11	14
6. LMC Milpitas Holdings I LLC	0	0	0	0	0	1	1
7. Essex Portfolio LP	0	0	0	0	2	2	4
10. Timber SOMA MC LP	0	0	0	0	0	3	3
Total	1	1	1	7	23	30	63

Source: Santa Clara County Assessment Appeals Board database provided July 20, 2026. Reflects appeal filings during the FY 2020-21 to FY 2025-26 period.

Note: 501 Murphy Ranch LP and MG Eleanor Apartments LLC et al. have no pending appeals.

Table 11. Projected Assessed Value Reduction from FY 2025-26 Pending Appeals by the Ten Largest Taxpayers

Top Taxpayers with Pending FY 2025-26 Appeal Filings and rank on top taxpayers list	No. of Open Appeals	Assessor Value Represented (\$Millions)	Applicant Opinion of Value (\$Millions)	Applicant Requested Net Reduction in Value (\$Millions)	Projected Resolved Value ⁽¹⁾ (\$Millions)	Projected Net Reduction in Value ⁽¹⁾ (\$Millions)
1. Cisco Systems Inc	5	\$520	\$168	\$352	\$507	(\$12.9)
2. KLA Corporation	1	576	422	153	561	(\$14.3)
3. The Fields (Lyon Living)	7	467	136	331	456	(\$11.6)
5. WH Silicon Valley VI LP	11	196	59	137	191	(\$4.9)
6. LMC Milpitas Holdings I LLC	1	153	77	76	149	(\$3.8)
7. Essex Portfolio LP	2	362	351	12	353	(\$9.0)
10. Timber SOMA MC LP	3	142	55	87	139	(\$3.5)
Total	30	\$2,416	\$1,268	\$1,148	\$2,356	(\$60.2)

(1) Estimate is based on a 2.49% average reduction for resolved appeals during the FY 2020-21 to FY 2025-26 period.

Source: Santa Clara County Assessment Appeals Board database provided July 20, 2026.

5.0 TAX ALLOCATION AND DISBURSEMENT

5.1 Tax Rates

Property tax rates applied to taxable assessed values consist of two components: the basic levy of a one percent ad valorem tax and override tax rates levied to pay voter-approved indebtedness. The basic levy may not exceed 1% of taxable assessed value pursuant to Article XIII A of the California Constitution. Allocation of property taxes to the RPTTF reflects the basic one percent property tax levy only. Override levies are not allocated to the RPTTF in accordance with H&S Section 34183(a)(1).³

5.2 Allocation of Taxes

Secured taxes are due in two equal installments and become delinquent on December 10 and April 10. Taxes on unsecured property are paid in one installment and become delinquent if not paid by August 31. Allocation of property tax revenue to the RPTTF for the Successor Agency is based on application of the basic one percent tax levy to the current year incremental assessed value. Amounts deposited into the RPTTF are distributed by the County Controller-Treasurer twice annually on January 2nd and June 1st in accordance with the Dissolution Statutes, as described in Section 1.1. Tax Revenues are approximately equal between the two distributions, with approximately 50% allocated in January and the remaining 50% of Tax Revenues allocated in June.

The County Controller-Treasurer allocates 100% of the calculated 1% secured and unsecured tax increment to the RPTTF for the Successor Agency without regard to delinquencies. This insulates the Successor Agency from property tax payment risk, but the RPTTF is not allocated any prior-year redemption payments, penalties, or delinquent taxes that are subsequently collected. This County practice of allocating 100% of calculated regular secured and unsecured tax increment to the RPTTF is analogous to, but not technically part of, the County's Teeter Plan and, unlike the County's Teeter Plan, applies to both secured and unsecured taxes. Property tax refunds that arise from successful assessment appeals and roll corrections are tracked by tax rate area and reduce the amount of tax increment allocated to the RPTTF in the fiscal year in which the refund occurs.

Supplemental assessments occur due to changes in ownership or new construction after the January 1st lien date for the current year assessment roll. When assessed value increases, it results in a supplemental tax bill to the property owner. If assessed value decreases, it results in a refund to the property owner. Supplemental tax bills and tax refunds are pro-rated when the re-assessable event occurs after the start of the fiscal year. Supplemental taxes and any supplemental tax refunds within the Project Area are allocated to the RPTTF for the Successor

³ Limited exceptions apply, including where levies in excess of the 1% tax rate related to pension programs or the State Water Project are pledged to the payment of indebtedness obligations and are required to make debt service payments.

Agency and affect the amount of RPTTF available for purposes of the semi-annual distributions of RPTTF funds on January 2nd and June 1st.

5.3 Unitary Tax Revenues

Most public utility properties are included on the unitary roll and assessed by the California State Board of Equalization as a single unit on a countywide basis. Revenues from unitary property tax assessments are distributed in the following manner: (1) each taxing entity receives the same amount of unitary revenue as in the previous year plus an increase for inflation of up to 2%; (2) if unitary tax revenues are not sufficient to provide the same amount of revenue as the previous year, revenues are allocated in proportion to the prior year unitary revenues; (3) if unitary revenues exceed 102% of the prior year's allocation, the excess is allocated proportionate to each jurisdiction's secured property tax revenue. The actual amount of unitary revenue deposited to the RPTTF for the Successor Agency in FY 2025-26 was \$716,754 (see also the five-year history presented in Section 5.4 below). Unitary revenue is assumed to remain constant for purposes of the revenue projections in Section 6.

5.4 Historical Tax Revenues

A summary of actual Tax Revenues for the period FY 2021-22 through FY 2025-26 is presented in Table 12. From FY 2021-22 to FY 2025-26, Tax Revenues increased from \$70.4 million to \$76.6 million, an 8.8% overall increase. Tax Revenues experienced a 4.1% year-over-year decline from FY 2024-25 to FY 2025-26 driven by an increase in roll corrections and appeal refunds.

The RPTTF for the Project Area was allocated regular secured and unsecured taxes equal to 100% of the gross tax increment calculated by applying the 1% tax rate to the Project Area's assessed value increment in each fiscal year from FY 2021-22 through FY 2025-26. Actual gross tax increment collected averaged 99.8% of the calculated 1% gross tax increment, as shown in Table 12, after accounting for additions from unitary taxes and supplemental assessments and reductions from roll corrections and assessment appeal refunds. Actual collections were 94.9% of the calculated tax increment in FY 2025-26, reflecting the elevated roll corrections and appeal refunds described in Note (2) to Table 12.

Table 12. Historical Tax Revenues (\$Thousands)					
	2021-22	2022-23	2023-24	2024-25	2025-26
Assessed Value	\$9,812,441	\$10,701,854	\$11,034,952	\$11,414,160	\$11,508,621
Base Year Assessed Value	799,727	799,727	799,727	799,727	799,727
Assessed Value Increment	9,012,714	9,902,127	10,235,225	10,614,434	10,708,894
Calculated Gross Tax Increment @1% ⁽¹⁾	90,127	99,021	102,352	106,144	107,089
Actual Gross Tax Increment Collected ⁽¹⁾					
Secured / Unsecured Taxes	90,127	99,021	102,352	106,144	107,089
Unitary	450	496	558	635	717
Roll Corrections / Refunds ⁽²⁾	(168)	(1,663)	(5,401)	(1,372)	(8,133)
Supplemental, Other	<u>1,996</u>	<u>2,693</u>	<u>3,397</u>	<u>2,180</u>	<u>1,903</u>
Total Gross Tax Increment Collected	92,405	100,547	100,906	107,587	101,575
	<u>average</u>				
Actual as a percentage of calculated	99.8%	102.5%	101.5%	101.4%	94.9%
Less: County Admin Expenses	(798)	(890)	(831)	(918)	(1,034)
Less: Pass Through Payments	(21,240)	(23,791)	(23,872)	(26,840)	(23,951)
Tax Revenues	\$70,367	\$75,866	\$76,204	\$79,829	\$76,590
Percent Change		7.8%	0.4%	4.8%	(4.1%)

(1) Calculated gross tax increment is based on incremental assessed value multiplied by the 1% tax rate. Calculated gross tax increment does not consider unitary, supplemental assessments, roll corrections, escape assessments, or appeal refunds. Actual gross tax increment collections take all such revenues into account.

(2) Based on KMA review of the parcels and unsecured accounts identified by the Santa Clara County Controller-Treasurer as generating the largest refunds in FY 2023-24 and FY 2025-26, and on discussions with the Assessor, the larger refunds in these years appear to be attributable in part to (a) County acquisition of a former hotel for conversion to permanent supportive housing, which qualified the property for an exemption; (b) appeals and/or business personal property audit adjustments affecting several of the Project Area's largest taxpayers, including KLA Corporation, WDMICA001 LP, and Cisco Systems, Inc.; and (c) a refund of four fiscal years of taxes for a newly constructed assisted living facility whose final value at completion established by the Assessor was less than the interim construction-in-progress values that were carried on the roll for four fiscal years after completion.

Source: Santa Clara County Assessor and Controller-Treasurer

6.0 REVENUE PROJECTION

This section provides a projection of Tax Revenues available for payment of debt service on the Bonds.

Table 13 identifies the assessed values utilized in the projection after making a \$90.0 million downward adjustment for the projected resolution of pending assessment appeals, as identified in Section 4.

Table 13. FY 2026-27 Assessed Values After Adjustments (\$Thousands)			
	Real Property	Personal Property	Total
FY 2026-27 Assessed Value	\$10,461,993	\$1,347,805	\$11,809,798
Less: Estimated Assessment Appeal Reduction ⁽¹⁾	(83,602)	(6,365)	(89,967)
FY 2026-27 Assessed Value After Appeals	10,378,391	1,341,440	11,719,831

(1) Based on the analysis in Table 9.

Projected Tax Revenue for FY 2026-27 is calculated in Table 14. Projected Tax Revenues represent the projected revenue available from the Project Area for payment of the Bonds. Projected Tax Revenues are equal to the projected gross RPTTF deposits for the Project Area less (a) property tax administrative costs deducted under H&S Section 34183(a) and (b) pass through payments to affected taxing agencies deducted pursuant to H&S Section 34183(a)(1).

Table 14. Projected Tax Revenues, FY 2026-27 (\$Thousands)	
FY 2026-27 Assessed Value after Adjustments (Table 13)	\$11,719,831
Base Year Value	<u>(799,727)</u>
Incremental Assessed Value	10,920,105
Gross RPTTF at 1% of Incremental AV	109,201
Unitary Revenue ⁽¹⁾	717
Projected Appeal Refunds ⁽²⁾	<u>(876)</u>
Projected Gross RPTTF Revenue	109,042
Less: County Admin Expenses ⁽³⁾	(1,112)
Less: Statutory Pass Through	(27,202)
Projected Tax Revenues, FY 2026-27	\$80,727

(1) Unitary revenues are projected based on actual FY 2025-26 revenues.

(2) Projected tax refund to property owners resulting from pending appeal resolutions during FY 2026-27.

(3) Property tax administrative expenses are projected based on the percentage that FY 2025-26 expenses represent of gross FY 2025-26 tax increment revenues.

Tables 15 and 16 provide a projection of Tax Revenues from the Project Area available for payment of debt service on the Bonds for FY 2026-27 through FY 2031-32. Two versions of the projection are presented:

(1) “No Growth Projection” - Table 15, reflects reported FY 2026-27 assessed values, less the projected \$90.0 million reduction to assessed values identified in Table 13 and the projected \$2.6 million in total property tax refunds from pending assessment appeals, described in Section 4.2.

(2) “2% Growth Projection” - Table 16, reflects reported FY 2026-27 assessed values, less the projected \$90.0 million reduction to assessed values identified in Table 13 and the projected \$2.6 million in total property tax refunds from pending assessment appeals, described in Section 4.2, and application of the 2% maximum allowable inflationary increase under Proposition 13 in FY 2027-28 and future years.

Allocation of revenues to the Successor Agency occurs semi-annually on January 2nd and June 1st to the extent of the Enforceable Obligations payable from RPTTF funds identified on approved Recognized Obligation Payment Schedules. The projection extends through FY 2031-32 as the final payment on the Bonds is due on September 1, 2032, and will be made from Tax Revenues received in FY 2031-32. Allocation of RPTTF funds to the Successor Agency is expected to continue through the FY 2033-34 final payment of a Successor Agency contractual obligation.

Table 15. Tax Revenue Projection (\$Thousands), 0% Growth Projection

Fiscal Year	Assessed Value ⁽¹⁾				Gross Tax Increment				Deductions		Tax Revenues
	Real Property	Personal Property	Total Assessed Value	Increment Over \$799,727 Base Year AV	Gross TI at 1% of AV Increment	Unitary Revenue ⁽²⁾	Appeal Refund ⁽³⁾	Total Gross TI	Prop Tax Admin Charge ⁽⁴⁾ at 1.02%	Statutory Pass Through	
2026-27	\$10,378,391	\$1,341,440	\$11,719,831	\$10,920,105	\$109,201	\$717	(\$876)	\$109,042	(\$1,112)	(\$27,202)	\$80,727
2027-28	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	(876)	109,042	(1,112)	(27,202)	80,727
2028-29	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	(876)	109,042	(1,112)	(27,202)	80,727
2029-30	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272
2030-31	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272
2031-32	10,378,391	1,341,440	11,719,831	10,920,105	109,201	717	0	109,918	(1,121)	(27,525)	81,272

(1) Reflects Assessor-reported FY 2026-27 assessed values, less the estimated \$90.0 million impact resulting from pending FY 2025-26 assessment appeals, as shown in Table 13, and assumes 0% real property assessed value growth in subsequent fiscal years.

(2) Unitary revenues are projected based on actual FY 2025-26 revenues.

(3) Projected tax refund to property owners resulting from resolution of pending appeals, estimated in Section 4.2, is assumed to be allocated one-third each to FY 2026-27, FY 2027-28, and FY 2028-29 based on the timing of historic appeal resolutions in the Project Area.

(4) Property tax administrative expenses are projected based on the percentage that FY 2025-26 expenses represent of gross FY 2025-26 tax increment revenues (1.02%).

Table 16. Tax Revenue Projection (\$Thousands), 2% Growth Projection

Fiscal Year	Assessed Value ⁽¹⁾				Gross Tax Increment				Deductions		Tax Revenues
	Real Property	Personal Property	Total Assessed Value	Increment Over \$799,727 Base Year AV	Gross TI at 1% of AV Increment	Unitary Revenue ⁽²⁾	Appeal Refund ⁽³⁾	Total Gross TI	Prop Tax Admin Charge ⁽⁴⁾ at 1.02%	Statutory Pass Through	
2026-27	\$10,378,391	\$1,341,440	\$11,719,831	\$10,920,105	\$109,201	\$717	(\$876)	\$109,042	(\$1,112)	(\$27,202)	\$80,727
2027-28	10,585,959	1,341,440	11,927,399	11,127,672	111,277	717	(876)	111,117	(1,133)	(27,966)	82,018
2028-29	10,797,678	1,341,440	12,139,118	11,339,392	113,394	717	(876)	113,234	(1,155)	(28,745)	83,334
2029-30	11,013,632	1,341,440	12,355,072	11,555,345	115,553	717	0	116,270	(1,186)	(29,862)	85,222
2030-31	11,233,905	1,341,440	12,575,345	11,775,618	117,756	717	0	118,473	(1,208)	(30,673)	86,591
2031-32	11,458,583	1,341,440	12,800,023	12,000,296	120,003	717	0	120,720	(1,231)	(31,649)	87,839

(1) Reflects Assessor-reported FY 2026-27 assessed values, less the estimated \$90.0 million impact resulting from pending FY 2025-26 assessment appeals, as shown in Table 13, and assumes 2% real property assessed value growth in subsequent fiscal years.

(2) Unitary revenues are projected based on actual FY 2025-26 revenues.

(3) Projected tax refund to property owners resulting from resolution of pending appeals, estimated in Section 4.2, is assumed to be allocated one-third each to FY 2026-27, FY 2027-28, and FY 2028-29 based on the timing of historic appeal resolutions in the Project Area.

(4) Property tax administrative expenses are projected based on the percentage that FY 2025-26 expenses represent of gross FY 2025-26 tax increment revenues (1.02%).

7.0 CAVEATS AND LIMITATIONS

The projections reflect assumptions based on KMA's understanding of the assessment, tax apportionment, and pass through calculation procedures employed by the County. The County procedures are subject to change as a reflection of policy revisions or administrative, regulatory or legislative mandate. While we believe our estimates to be reasonable, taxable values resulting from actual appraisals may vary from the amounts assumed in the projections. Assumptions have also been made that no changes to State legislation are enacted to change or eliminate the allocation of RPTTF revenues. These assumptions are based on existing State policies and are subject to future regulatory or legislative changes.

No assurances are provided by KMA as to the certainty of the projected Tax Revenues. Actual revenues may be higher or lower than what has been projected and are subject to valuation changes resulting from new developments or transfers of ownership not specifically identified herein, actual resolution of outstanding appeals, future filing of appeals, changes in assessor valuation standards, or the non-payment of taxes due. The accuracy or completeness of assessment appeals identified in this report is based solely upon information provided by the County as of the date of the original review of said data by KMA.

KMA is not advising or recommending any action be taken by the Successor Agency with respect to any prospective new or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms and other similar matters concerning such financial products or issues). KMA is not acting as a municipal advisor and does not assume any fiduciary duty, including, without limitation, a fiduciary duty pursuant to Section 15B of the Exchange Act. The Successor Agency should discuss any such information and material contained in this report with internal and/or external advisors and experts, including its own municipal advisors, that it deems appropriate before acting on the information.

APPENDIX B

GENERAL INFORMATION ABOUT THE CITY OF MILPITAS AND THE COUNTY OF SANTA CLARA

*The following information concerning Santa Clara County (the “**County**”) and the City of Milpitas (the “**City**”) is included only for the purpose of supplying general information regarding the Project Area. The Refunding Bonds are not a debt of the County, the City, the State of California (the “**State**”) or any of its political subdivisions, and neither the County, the City, the State nor any of its political subdivisions is liable therefor.*

General

The City of Milpitas. The City was incorporated in January 1954 and is located 45 miles south of San Francisco in the northern part of Santa Clara County. Once a small agricultural town and later a stop-over point for travelers between Oakland and San Jose, Milpitas has grown into one of the world’s premier computer and semiconductor producers. Located in the northeastern side of the “Silicon Valley,” the City encompasses 13.63 square miles.

Milpitas is a general law city, incorporated in 1954. It operates under a Council-Manager form of government. The City’s political and legislative body is the City Council and is empowered by the general laws of the State of California to formulate citywide policy, including a fiscal program, City services and appointment of City Manager and City Attorney. There are four City Council members who are elected at-large for staggered four –year terms, and the Mayor is selected every two years in a separate citywide election.

The City provides a full range of municipal services. These include: police, fire, neighborhood services, public improvements, planning, building and public facility inspection, engineering, water and sewer utilities, economic development, and general administrative services.

Santa Clara County. The County covers an area of over 1,300 square miles and is located south of the San Francisco Bay in northern California. There are two distinct valleys in the County, which are referred to as North County and South County. South County has more of an agricultural base and is comprised of only two cities, twenty miles apart from each other. As a contrast, North County is densely populated, heavily industrialized and extensively urbanized. This part of the County is comprised of 13 cities, each adjacent to another. Due to its high concentration of high-technology industries, the northwestern portion of North County is commonly referred to as “Silicon Valley.” Several small lakes and reservoirs are scattered across the County and the highest peak can be found in San José at Mount Hamilton with an elevation of 4,213 feet. Several major highways serve the County, including Highway 101 providing access to San Francisco and Los Angeles.

Population

The following table lists population estimates for the City, the County and the State for the last five years, as of January 1 each year.

**CITY OF MILPITAS, COUNTY OF SANTA CLARA,
STATE OF CALIFORNIA
Population Estimates
Years 2022 through 2026, as of January 1**

Year	City of Milpitas	Santa Clara County	State of California
2022	80,391	1,891,556	39,159,480
2023	81,411	1,906,944	39,167,274
2024	81,865	1,915,448	39,446,835
2025	81,821	1,928,029	39,646,907
2026	82,107	1,932,468	39,592,978

Source: California Department of Finance, Demographic Research Unit.

Industry and Employment

The City is part of the San Jose-Sunnyvale-Santa Clara Metropolitan Statistical Area ("MSA"), which is comprised of Santa Clara and San Benito Counties. The unemployment rate in the San Jose-Sunnyvale-Santa Clara MSA was 4.0% in June 2026, up from a revised 3.5% in May 2026, and below the year-ago estimate of 4.5%. This compares with an unadjusted unemployment rate of 5.2% for the State and 4.4% for the nation during the same period. The unemployment rate was 5.9% in San Benito County, and 4.0% in the County.

The table below provides information about employment rates and employment by industry type for the San Jose-Sunnyvale-Santa Clara MSA for calendar years 2021 through 2025.

SAN JOSE-SUNNYVALE-SANTA CLARA MSA
(San Benito and Santa Clara Counties)
Annual Averages Civilian Labor Force, Employment and Unemployment,
Employment by Industry
(March 2025 Benchmark)

	2021	2022	2023	2024	2025
Civilian Labor Force ⁽¹⁾	1,021,600	1,044,400	1,057,500	1,059,300	1,071,800
Employment	970,300	1,014,600	1,019,200	1,014,600	1,025,300
Unemployment	51,300	29,800	38,200	44,700	46,400
Unemployment Rate	5.0%	2.8%	3.6%	4.2%	4.3%
<u>Wage and Salary Employment: ⁽²⁾</u>					
Agriculture	5,000	4,800	4,700	4,900	5,000
Mining and Logging	200	200	200	200	200
Construction	51,700	53,800	53,900	53,200	52,500
Manufacturing	125,700	133,200	131,100	126,400	127,500
Wholesale Trade	28,300	28,900	28,900	28,200	28,000
Retail Trade	73,700	73,600	73,700	72,200	72,200
Transportation, Warehousing, Utilities	15,100	16,700	16,900	16,700	16,900
Information	107,100	106,000	97,700	94,800	97,000
Finance and Insurance	23,400	22,500	22,000	21,100	21,100
Real Estate and Rental and Leasing	15,100	15,700	15,800	15,600	15,600
Professional and Business Services	284,100	295,700	290,400	282,800	277,200
Educational and Health Services	178,400	187,000	197,100	208,600	217,400
Leisure and Hospitality	79,000	96,700	101,900	103,100	103,000
Other Services	22,800	25,400	26,500	27,300	28,000
Federal Government	10,500	10,200	10,100	10,100	10,100
State Government	6,900	7,000	7,000	7,000	6,800
Local Government	76,000	78,700	81,100	83,200	84,800
Total, All Industries ⁽³⁾	1,102,800	1,155,800	1,158,800	1,155,500	1,163,100

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Principal Employers

25. The following table lists the principal employers within the City for the fiscal year 2024-

CITY OF MILPITAS Principal Employers As of June 30, 2025

Employer Name	No. of Employees	% of City Employment
Cisco Systems, Inc.	3,600	8.29%
KLA-Tencor Corporation	2,917	6.72
Western Digital Tech (SanDisk Corporation)	1,219	2.81
Flextronics International (aka Vista Point Technologies)	1,160	2.67
Milpitas Unified School District	959	2.21
Headway Technologies Inc. (2 Locations)	792	1.82
City of Milpitas	420	0.97
Amazon-Delivery & Corporate Office	311	0.72
Kaiser Permanente Medical Offices	245	0.56
Nanometrics, Inc.	243	0.56

Source: City of Milpitas Annual Comprehensive Fiscal Report for fiscal year Ended June 30, 2025.

Major Employers

The following table lists the largest manufacturing and non-manufacturing employers within the County as of July 2026.

COUNTY OF SANTA CLARA
Major Employers
As of July 2026
(In Alphabetical Order)

Employer Name	Location	Industry
Adobe Inc	San Jose	Prepackaged Software
Advanced Micro Devices Inc	Santa Clara	Semiconductor Devices (mfrs)
Alphabet Inc	Mountain View	Internet Search Engines
Analog Devices Inc	San Jose	Semiconductor Devices-Wholesale
Apple Inc	Cupertino	Computers-Electronic-Manufacturers
Applied Materials Inc	Santa Clara	Semiconductor Manufacturing Equip (mfrs)
Avaya Inc	San Jose	Telecommunications Services
CA Inc	San Jose	Computer Software Application Svc Prvdrs
California's Great America	Santa Clara	Amusement & Theme Parks
Christopher Ranch LLC	Gilroy	Garlic (mfrs)
Cisco Systems Inc	San Jose	Computer Peripherals (mfrs)
Ebay Inc	San Jose	Online Retailers & Marketplaces
HP Inc	Palo Alto	Computers-Electronic-Manufacturers
Intel Corp	Santa Clara	Semiconductor Devices (mfrs)
Intuitive Surgical Inc	Sunnyvale	Orthopedic Prosthetic/Srgcl Appl (mfrs)
Kaiser Foundation Health Plan	Santa Clara	Health Services
Lockheed Martin Space Systems	Sunnyvale	Satellite Equipment & Systems-Mfrs
NASA	Mountain View	Federal Government-Space Research & Technolog
Netapp Inc	San Jose	Computer Storage Devices (mfrs)
NVIDIA Corp	Santa Clara	Software/Application/Platform Developers & Pr
Palo Alto VA Medical Ctr	Palo Alto	Hospitals
Prime Materials	San Jose	Semiconductors & Related Devices (mfrs)
SAP Center	San Jose	Stadiums Arenas & Athletic Fields
Stanford University Sch-Mdcn	Stanford	Schools-Medical
Super Micro Computer Inc	San Jose	Computers-Electronic-Manufacturers

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2026 2nd edition.

Effective Buying Income

“Effective Buying Income” is defined as personal income less personal tax and nontax payments, a number often referred to as “disposable” or “after-tax” income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor’s income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as “disposable personal income.”

The following table summarizes the total effective buying income and median household effective buying income for the City, the County, the State, and the United States for the years 2022 through 2026.

CITY OF MILPITAS, SANTA CLARA COUNTY, STATE OF CALIFORNIA AND UNITED STATES EFFECTIVE BUYING INCOME 2022 through 2026

<u>Year</u>	<u>Area</u>	<u>Total Effective Buying Income (000's Omitted)</u>	<u>Median Household Effective Buying Income</u>
2022	City of Milpitas	\$3,978,357	\$128,634
	Santa Clara County	113,347,038	118,652
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	City of Milpitas	\$4,428,907	\$132,850
	Santa Clara County	112,532,636	121,559
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	City of Milpitas	\$4,612,700	\$137,831
	Santa Clara County	114,948,530	125,048
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	City of Milpitas	\$4,799,185	\$143,025
	Santa Clara County	118,437,858	128,178
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687
2026	City of Milpitas	\$5,412,093	\$159,550
	Santa Clara County	130,688,430	138,593
	California	1,730,654,738	90,403
	United States	13,932,177,817	75,433

Source: Claritas, LLC.

Commercial Activity

A summary of historic taxable sales within the City and County during the past five years for which data is available are shown in the following tables.

Total taxable sales during calendar year 2025 in the City were reported to be \$2,547,135,855, an 8.25% increase from the total taxable sales of \$2,352,914,935 reported during calendar year 2024.

CITY OF MILPITAS
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2021	1,104	\$1,211,479	2,099	\$2,024,639
2022	1,157	1,385,151	2,129	2,378,625
2023	1,115	1,392,827	2,076	2,283,725
2024	1,152	1,401,979	2,154	2,352,915
2025	1,188	1,405,484	2,209	2,547,136

Source: State Department of Tax and Fee Administration.

Total taxable sales during calendar year 2025 in the County were reported to be \$57,420,463,053, a 0.19% decrease from the total taxable sales of \$57,527,704,042, reported during calendar year 2024.

COUNTY OF SANTA CLARA
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)

	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2021	28,365	\$31,393,299	51,015	\$52,994,694
2022	28,214	33,619,773	51,222	57,738,947
2023	27,227	33,369,250	49,698	57,098,298
2024	27,465	33,980,830	50,447	57,527,704
2025	27,527	34,820,938	51,228	57,420,463

Source: State Department of Tax and Fee Administration.

Construction Activity

Construction activity in the City and the County for the past five years for which data is available is shown in the following tables. Annual figures are not available for calendar year 2025.

CITY OF MILPITAS Building Permit Valuation For Calendar Years 2020 through 2024 (Dollars in Thousands)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Permit Valuation</u>					
New Single-family	\$6,833.3	\$24,601.7	\$10,576.3	\$18,652.2	\$6,841.2
New Multi-family	59,861.4	27,478.2	64,919.3	117,423.8	14,712.4
Res. Alterations/Additions	6,362.3	14,373.9	11,303.5	11,669.5	12,818.4
Total Residential	73,057.0	66,453.8	86,799.1	147,745.5	34,372.0
New Commercial	860.0	12,145.0	30.0	2,975.0	198.8
New Industrial	0.0	0.0	0.0	0.0	0.0
New Other	22,849.9	3,907.6	2,092.5	1,264.5	2,303.3
Com Alterations/Additions	35,947.2	103,492.6	134,680.0	45,703.0	76,242.5
Total Nonresidential	59,657.1	119,545.2	136,802.5	49,942.5	78,744.6
<u>New Dwelling Units</u>					
Single Family	26	70	42	48	35
Multiple Family	250	142	201	847	38
TOTAL	276	212	243	895	73

Source: Construction Industry Research Board, Building Permit Summary.

SANTA CLARA COUNTY Building Permit Valuation For Calendar Years 2020 through 2024 (Dollars in Thousands)

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Permit Valuation</u>					
New Single-family	\$465,531.8	\$604,388.6	\$558,633.4	\$534,061.1	\$556,911.7
New Multi-family	384,856.1	488,538.1	1,239,445.8	882,779.3	441,419.0
Res. Alterations/Additions	314,179.3	351,100.6	392,595.4	374,279.1	503,549.0
Total Residential	1,164,567.2	1,444,027.3	2,190,674.6	1,791,119.5	1,501,879.7
New Commercial	1,216,184.5	309,537.0	774,988.7	329,197.5	387,581.5
New Industrial	72,481.3	8,982.3	0.0	2,099.0	65,000.0
New Other	145,437.8	451,952.6	623,244.7	192,452.6	225,979.8
Com Alterations/Additions	1,382,406.5	812,157.1	1,249,080.3	2,150,379.3	1,113,277.6
Total Nonresidential	2,816,510.1	1,582,629.0	2,647,313.7	2,674,128.4	1,791,838.9
<u>New Dwelling Units</u>					
Single Family	1,329	1,789	1,538	1,210	1,316
Multiple Family	2,245	3,210	6,765	4,776	2,017
TOTAL	3,574	4,999	8,303	5,986	3,333

Source: Construction Industry Research Board, Building Permit Summary.

APPENDIX C

FORM OF BOND COUNSEL OPINION

_____, 2026

Successor Agency to the
Former Milpitas Redevelopment Agency
455 East Calaveras Boulevard
Milpitas, California 95035

OPINION: \$ _____ Successor Agency to the Former Milpitas Redevelopment Agency
2026 Tax Allocation Refunding Bonds

Members of the Successor Agency:

We have acted as bond counsel to the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency") in connection with the issuance by the Successor Agency of the above-captioned bonds (the "Bonds"), pursuant to the Community Redevelopment Law, constituting Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code of the State of California (the "Law"), Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code (the "Dissolution Act"), and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law"). The Bonds are being issued pursuant to an Indenture of Trust, dated as of ____ 1, 2026 (the "Indenture"), between the Successor Agency and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Successor Agency contained in the Indenture, and in certified proceedings and other certifications of public officials furnished to us, without undertaking to verify such facts by independent investigation. Regarding certain questions of law material to our opinion, we have assumed the correctness of certain legal conclusions contained in the written opinions of the City Attorney of the City, as general counsel to the Successor Agency, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Successor Agency is duly created and validly existing as a public entity, with the power to enter into the Indenture, perform the agreements on its part contained therein, and issue the Bonds.
2. The Indenture has been duly approved by the Successor Agency, and constitutes a valid and binding obligation of the Successor Agency, enforceable against the Successor Agency in accordance with its terms.
3. Pursuant to the Law, the Dissolution Act and the Refunding Law, the Indenture creates a valid lien on the funds pledged by the Indenture for the security of the Bonds, subject

to no prior lien granted under the Law, the Dissolution Act and the Refunding Law, except to the extent set forth in the Indenture.

4. The Bonds have been duly authorized, executed and delivered by the Successor Agency, and are valid and binding special obligations of the Successor Agency, payable solely from the sources provided therefor in the Indenture.

5. The interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence are subject to the condition that the Successor Agency comply with all requirements of the Internal Revenue Code of 1986 that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Successor Agency has covenanted to comply with each such requirement. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes to be retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

6. The interest on the Bonds is exempt from personal income taxation imposed by the State of California.

Interest on the Bonds may be subject to the corporate alternative minimum tax. We express no opinion regarding other federal tax consequences arising with respect to the ownership, sale or disposition of the Bonds, or the amount, accrual or receipt of interest on the Bonds.

The rights of the owners of the Bonds, and the enforceability of the Bonds and the Indenture, may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted, and may also be subject to the exercise of judicial discretion in appropriate cases.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur. Moreover, our opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or any court; rather, our opinions represent our legal judgment based upon our review of existing law that we deem relevant to such opinions and in reliance upon the representations, opinions, and covenants referenced above. Our engagement with respect to this matter has terminated as of the date hereof.

Respectfully submitted,

APPENDIX D

FORM OF SUCCESSOR AGENCY CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (this “Disclosure Certificate”) is executed and delivered by the Successor Agency to the Former Milpitas Redevelopment Agency (the “Successor Agency”) in connection with the issuance of \$_____ Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “Bonds”). The Bonds are being issued pursuant to an Indenture of Trust dated as of _____ 1, 2026, by and between the Successor Agency and the U.S. Bank Trust Company, National Association, as trustee. The Successor Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate, unless otherwise defined, the following capitalized terms shall have the following meanings:

“*Annual Report*” shall mean any Annual Report provided by the Successor Agency pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“*Dissemination Agent*” shall mean Willdan Financial Services, or any successor Dissemination Agent designated in writing by the Successor Agency and which has filed with the Successor Agency a written acceptance of such designation.

“*EMMA System*” shall mean the Electronic Municipal Market Access system of the MSRB or such other electronic system designated by the MSRB or the Securities and Exchange Commission for compliance with S.E.C Rule 15c2-12(b).

“*Listed Events*” shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

“*MSRB*” means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

“*Official Statement*” means the final official statement delivered by the Successor Agency in connection with the Bonds.

“*Participating Underwriter*” means Stifel, Nicolaus & Company, Incorporated, as the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“*Rule*” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Successor Agency shall, or shall cause the Dissemination Agent to, not later than nine (9) months after the end of the Successor Agency's fiscal year (which date currently would be March 31, based upon the June 30 end of the Successor Agency's fiscal year), commencing with the report for the 2025-26 fiscal year, provide to the MSRB through the EMMA System an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report for the 2025-26 fiscal year will be satisfied by the final Official Statement and the provision of the audited financial statements for the 2025-26 fiscal year. Not later than fifteen (15) Business Days prior to said date, the Successor Agency shall provide the Annual Report to the Dissemination Agent (if other than the Successor Agency). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the Successor Agency may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if not available by that date. If the Successor Agency's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(b).

(b) If the Successor Agency is unable to provide to the MSRB through the EMMA System an Annual Report by the date required in subsection (a), the Successor Agency shall provide to the MSRB, in electronic format as prescribed by the MSRB through the EMMA System, a notice in substantially the form attached as Exhibit A.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the Successor Agency, file a report with the Successor Agency certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the MSRB through the EMMA System pursuant to this Disclosure Certificate.

Section 4. Content of Annual Reports. The Successor Agency's Annual Report shall contain or incorporate by reference the following:

(a) Audited Financial Statements of the Successor Agency prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for the Annual Reports provided for in Section 3 above, financial information and operating data with respect to the Successor Agency for the preceding fiscal

year, substantially similar to that provided in the corresponding tables and charts in the Official Statement for the Bonds, as follows:

- (i) Principal amount of Bonds outstanding as of June 30 of the most recently-completed fiscal year.
- (ii) Information for the current fiscal year of the type included in Tables 3, 4 and 7 of the Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Successor Agency or related public entities, which have been submitted to the MSRB through the EMMA System or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the Municipal Securities Rulemaking Board. The Successor Agency shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The Successor Agency shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Bond calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.

- (12) Bankruptcy, insolvency, receivership or similar event of the Successor Agency or other obligated person.
- (13) The consummation of a merger, consolidation, or acquisition involving the Successor Agency or an obligated person, or the sale of all or substantially all of the assets of the Successor Agency or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a financial obligation of the Successor Agency, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Successor Agency, any of which affect security holders, if material (for the definition of "financial obligation," see clause (e)).
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Successor Agency, any of which reflect financial difficulties (for the definition of "financial obligation," see clause (e)).

(b) The Successor Agency shall, or shall cause the Dissemination Agent (if not the Successor Agency) to, file a notice of such occurrence with the MSRB through the EMMA System, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

(c) The Successor Agency acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), (a)(14) and (a)(15) of this Section 5 contain the qualifier "if material." The Successor Agency shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the Successor Agency determines the event's occurrence is material for purposes of U.S. federal securities law. The Dissemination Agent shall not be responsible for determining whether an event is material.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Successor Agency in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Successor Agency, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Successor Agency.

(e) For purposes of Section 5(a)(15) and (16), “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Section 6. Termination of Reporting Obligation. The Successor Agency’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds or upon the delivery to the Dissemination Agent of an opinion of nationally recognized bond counsel retained by the Successor Agency to the effect that continuing disclosure is no longer required. If such termination occurs prior to the final maturity of the Bonds, the Successor Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(b).

Section 7. Dissemination Agent.

(a) The Successor Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Successor Agency pursuant to this Disclosure Certificate, unless the Successor Agency is the Dissemination Agent, as provided herein. The initial Dissemination Agent shall be Willdan Financial Services. If at any time there is no designated Dissemination Agent appointed by the Successor Agency, or if the Dissemination Agent so appointed is unwilling or unable to perform the duties of Dissemination Agent hereunder, the Successor Agency shall be the Dissemination Agent and undertake or assume its obligations hereunder. The Dissemination Agent may resign by providing forty-five days written notice to the Successor Agency and the Trustee.

Any company succeeding to all or substantially all of the Dissemination Agent’s corporate trust business shall be the successor to the Dissemination Agent hereunder without the execution or filing of any paper or any further act. The Dissemination Agent may resign its duties hereunder at any time upon written notice to the Successor Agency.

(b) The Dissemination Agent shall be paid compensation by the Successor Agency for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the Successor Agency from time to time and for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent (unless the Successor Agency is the Dissemination Agent) shall have no duty or obligation to review any information provided to it by the Successor Agency hereunder and shall not be deemed to be acting in any fiduciary capacity for the Successor Agency, holders or beneficial owners or any other party. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Successor Agency may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied

(provided no amendment or waiver shall be made that affects the duties or rights of the Dissemination Agent without its written consent):

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel retained by the Successor Agency, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of

holders, or (ii) does not, in the opinion of nationally recognized bond counsel retained by the Successor Agency, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Successor Agency to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be sent to the MSRB through the EMMA System in the same manner as for a Listed Event under Section 5(b).

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Successor Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Successor Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Successor Agency shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Successor Agency to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Successor Agency to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the Successor Agency to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. All of the immunities, indemnities, and exceptions from liability in Article VI of the Indenture insofar as they relate to the Trustee shall apply to the Trustee and the Dissemination Agent in this Disclosure Certificate. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Successor Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent may rely and shall be protected in acting or refraining from acting upon any direction from the Successor Agency or an opinion of nationally recognized bond counsel retained by the Successor Agency. The obligations of the Successor Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds. No person, other than the Successor Agency, shall have any right to commence any action against the Trustee or Dissemination Agent seeking any remedy other than to compel specific performance of this Disclosure Certificate.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Successor Agency, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Dated: _____

SUCCESSOR AGENCY TO THE FORMER
MILPITAS REDEVELOPMENT AGENCY

By _____

Name _____

Title _____

AGREED AND ACCEPTED:

WILLDAN FINANCIAL SERVICES,
AS DISSEMINATION AGENT

By: _____

Name: _____

Title: _____

APPENDIX E

AUDITED FINANCIAL STATEMENTS OF THE CITY
FISCAL YEAR 2024-25

APPENDIX F
SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

APPENDIX G

BOOK-ENTRY ONLY SYSTEM

The information in this Appendix G concerning The Depository Trust Company (“DTC”), and DTC’s book-entry system has been obtained from DTC and the Successor Agency takes no responsibility for the completeness or accuracy thereof. The Successor Agency cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current “Rules” applicable to DTC are on file with the Securities and Exchange Commission and the current “Procedures” of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company (“DTC”) will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing Successor Agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the

Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Successor Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, premium (if any), and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Successor Agency or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Successor Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Principal, premium (if any), and interest payments with respect to the Bonds to

Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Successor Agency or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Successor Agency or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates representing the Bonds are required to be printed and delivered.

The Successor Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, representing the Bonds will be printed and delivered to DTC in accordance with the provisions of the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Successor Agency believes to be reliable, but the Successor Agency takes no responsibility for the accuracy thereof.

INDENTURE OF TRUST

Dated as of November 1, 2026

by and between the

SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
as Trustee**

Relating to

**\$ _____
Successor Agency to the Former Milpitas Redevelopment Agency
2026 Tax Allocation Refunding Bonds
(Redevelopment Project Area No. 1)**

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this "Indenture") is made and entered into and dated as of November 1, 2026, by and between the SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY, a public entity duly created and existing under the laws of the State of California (the "Successor Agency"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee");

WITNESSETH:

WHEREAS, the former Milpitas Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (the "Law");

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, Section references hereinafter being to such Code), the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, and the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, the Successor Agency has previously issued its \$127,790,000 aggregate principal amount of Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the "2015 Bonds") to provide funds to refund bonds issued by the Former Agency in 2003;

WHEREAS, Section 34177.5 of the Law authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency, subject to the conditions precedent contained in said Section 34177.5;

WHEREAS, the Successor Agency is authorized to issue bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in said Section 34177.5(a);

WHEREAS, the Successor Agency has determined that it will achieve debt service savings within such parameters by the issuance pursuant to the Law and the Refunding Law of its \$_____ aggregate principal amount of Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the "2026 Bonds") to provide funds to refund the outstanding 2015 Bonds;

WHEREAS, in order to provide for the authentication and delivery of the 2026 Bonds, to establish and declare the terms and conditions upon which the 2026 Bonds are to be issued and secured and to secure the payment of the principal thereof and interest thereon, the Successor Agency and the Trustee have duly authorized the execution and delivery of this Indenture; and

WHEREAS, all acts and proceedings required by law necessary to make the 2026 Bonds when executed by the Successor Agency, and authenticated and delivered by the Trustee, the valid, binding and legal special obligations of the Successor Agency, and to constitute this Indenture a legal, valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken;

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that in order to secure the payment of the principal of and the interest on all the 2026 Bonds issued and Outstanding under this Indenture, according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the 2026 Bonds are to be issued and received, and in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the 2026 Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the Successor Agency and the Trustee do hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the 2026 Bonds, as follows:

ARTICLE I

DETERMINATIONS; DEFINITIONS

Section 1.01. Findings and Determinations. The Successor Agency has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the 2026 Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Successor Agency is now duly empowered, pursuant to each and every requirement of law, to issue the 2026 Bonds in the manner and form provided in this Indenture.

Section 1.02. Definitions. Unless the context otherwise requires, the terms defined in this Section 1.02 shall, for all purposes of this Indenture, of any Supplemental Indenture, and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest payable on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Serial Bonds are retired as scheduled and that the Outstanding Term Bonds are redeemed from mandatory sinking account payments as scheduled, (b) the principal amount of the Outstanding Serial Bonds payable by their terms in such Bond Year, and (c) the principal amount of the Outstanding Term Bonds scheduled to be paid or redeemed from mandatory sinking account payments in such Bond Year.

“Authorized Officer” means the Executive Director, Assistant Executive Director or Chief Financial Officer/Treasurer of the Successor Agency.

“Bond” or “Bonds” means the 2026 Bonds.

“Bond Counsel” means (a) Jones Hall LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the Successor Agency, of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

“Bond Proceeds Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.03.

“Bond Year” means, any twelve-month period beginning on September 2 in any year and ending on the next succeeding September 1, both dates inclusive, except that the first Bond Year shall begin on the Closing Date, and end on September 1, 2027.

“Business Day” means a day of the year on which banks in San Francisco, California, or the city where the Principal Corporate Trust Office is located are not required or permitted to be closed and on which the New York Stock Exchange is not closed.

“City” means the City of Milpitas, California, a municipal corporation and general law city duly organized and existing under the laws of the State.

“Closing Date” means, with respect to the 2026 Bonds, the date on which the 2026 Bonds are delivered by the Trustee to the original purchaser thereof.

“Code” means the Internal Revenue Code of 1986 as in effect on the date of issuance of the Bonds or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the date of issuance of the Bonds, together with applicable, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

“Continuing Disclosure Certificate” means the Continuing Disclosure Certificate executed by the Successor Agency dated as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the Successor Agency relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to City and Successor Agency administrative staff costs, printing expenses, bond insurance and surety bond premiums, transferred proceeds penalties due the United States of America, rating agency fees, filing and recording fees, initial fees and charges and first annual administrative fee of the Trustee and fees and expenses of its counsel, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, fees and charges for preparation, execution and safekeeping of the Bonds and any other cost, charge or fee in connection with the original issuance of the Bonds.

“Costs of Issuance Account” means the account by that name within the Bond Proceeds Fund established and held by the Trustee pursuant to Section 3.03.

“County” means the County of Santa Clara, a county duly organized and existing under the Constitution and laws of the State.

“Debt Service Fund” means the fund by that name established and held by the Trustee pursuant to Section 4.03.

“Defeasance Obligations” means (i) cash, (ii) Federal Securities and (iii) Permitted Investments listed under subsection (b) of the definition thereof excluding Permitted Investments listed under (b) (iv) and (b) (vi).

“Depository” means (a) initially, DTC, and (b) any other Securities Depository acting as Depository pursuant to Section 2.11.

“Depository System Participant” means any participant in the Depository’s book-entry system.

“Dissolution Act” means Part 1.85 (commencing with Section 34170) of Division 24 of the California Health and Safety Code.

“DTC” means The Depository Trust Company, and its successors and assigns.

“Event of Default” means any of the events described in Section 8.01.

“Federal Securities” means any direct, noncallable general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America and CATS and TGRS), or obligations the payment of principal of and interest on which are unconditionally guaranteed by the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve month period selected and designated by the Successor Agency to the Trustee in writing as its official fiscal year period.

"Former Agency" means the former Milpitas Redevelopment Agency, a public body corporate and politic duly organized and existing under the Law and dissolved in accordance with the Dissolution Act.

"Indenture" means this Indenture of Trust by and between the Successor Agency and the Trustee, as originally entered into or as it may be amended or supplemented by any Supplemental Indenture entered into pursuant to the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice as such under the laws of the State, appointed by the Successor Agency, and who, or each of whom:

(a) is in fact independent and not under domination of the Successor Agency;

(b) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(c) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Independent Redevelopment Consultant" means any consultant or firm of such consultants appointed by the Successor Agency, and who, or each of whom:

(a) is judged by the Successor Agency to have experience in matters relating to the collection of Tax Revenues or otherwise with respect to the financing of redevelopment projects;

(b) is in fact independent and not under domination of the Successor Agency;

(c) does not have any substantial interest, direct or indirect, with the Successor Agency; and

(d) is not connected with the Successor Agency as an officer or employee of the Successor Agency, but who may be regularly retained to make reports to the Successor Agency.

"Information Services" means "EMMA" or the "Electronic Municipal Market Access" system of the Municipal Securities Rulemaking Board; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other services providing information with respect to called bonds as the Successor Agency may designate in a Written Certificate of the Successor Agency delivered to the Trustee.

"Interest Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(a).

“Interest Payment Date” means March 1 and September 1 of each year, commencing March 1, 2027, so long as any of the Bonds remain Outstanding hereunder.

“Law” means the Community Redevelopment Law, constituting Part 1 of Division 24 of the California Health and Safety Code, together with the Dissolution Act, and the acts amendatory thereof and supplemental thereto.

“Maximum Annual Debt Service” means, as of the date of calculation, the largest Annual Debt Service for the current or any future Bond Year, as certified in writing by the Successor Agency to the Trustee.

“Nominee” means (a) initially, Cede & Co., as nominee of DTC, and (b) any other nominee of the Depository designated pursuant to Section 2.11(a).

“Outstanding” when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except:

- (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

- (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and

- (c) Bonds in lieu of or in substitution for which other Bonds shall have been authorized, executed, issued and delivered by the Successor Agency pursuant hereto.

“Oversight Board” means the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County, duly constituted pursuant to Section 34179(j) of the California Health and Safety Code.

“Owner” or “Bondowner” means, with respect to any Bond, the person in whose name the ownership of such Bond shall be registered on the Registration Books.

“Participating Underwriter” has the meaning ascribed thereto in the Continuing Disclosure Certificate.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State for the moneys proposed to be invested therein:

- (a) Federal Securities;

- (b) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself): (i) direct obligations or fully guaranteed certificates of beneficial ownership of the U.S. Export-Import Bank; (ii) certificates of beneficial ownership of the Farmers Home Administration; (iii) obligations of the Federal Financing Bank; (iv) debentures of the Federal Housing Administration; (v) participation certificates of the General Services Administration; (vi) guaranteed mortgage-backed bonds or guaranteed pass-through obligations of the Government National Mortgage Association; (vii) guaranteed Title XI financings of the U.S. Maritime

Administration; (viii) project notes, local authority bonds, new communities debentures and U.S. public housing notes and bonds of the U.S. Department of Housing and Urban Development;

(c) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following non-full faith and credit U.S. government agencies (stripped securities are only permitted if they have been stripped by the agency itself): (i) senior debt obligations of the Federal Home Loan Bank System; (ii) participation certificates and senior debt obligations of the Federal Home Loan Mortgage Corporation; (iii) mortgaged-backed securities and senior debt obligations of the Federal National Mortgage Association (excluding stripped mortgage securities which are valued greater than par on the portion of unpaid principal); (iv) senior debt obligations of the Student Loan Marketing Association; (v) obligations (but only the interest component of stripped obligations) of the Resolution Funding Corporation; and (vi) consolidated system wide bonds and notes of the Farm Credit System;

(d) money market funds (including funds of the Trustee or its affiliates) registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933, and having a rating by S&P of “AAAm-G”, “AAAm”, or “AAm”, including funds for which the Trustee, its affiliates or subsidiaries provide investment advisory or other management services;

(e) certificates of deposit secured at all times by collateral described in (a) or (b) above, which have a maturity of one year or less, which are issued by commercial banks, including affiliates of the Trustee, savings and loan associations or mutual savings banks, and such collateral must be held by a third party, and the Trustee on behalf of the Bond Owners must have a perfected first security interest in such collateral;

(f) certificates of deposit, savings accounts, deposit accounts or money market deposits (including those of the Trustee and its affiliates) which are fully insured by the Federal Deposit Insurance Corporation;

(g) unsecured certificates of deposit, time deposits, money market deposits, demand deposits and bankers’ acceptances of any bank (including those of the Trustee, its parent and its affiliates) the short-term obligations of which are rated on the date of purchase “A-1” or better by S&P and “P-1” by Moody’s;

(h) investment agreements, including guaranteed investment contracts, which, are general obligations of an entity whose long term debt obligations, or claims paying ability, respectively, which are rated in one of the two highest rating categories by S&P or which are collateralized so as to be rated in one of the two highest rating categories by S&P;

(i) commercial paper rated, at the time of purchase, “A-1” or better by S&P;

(j) bonds or notes issued by any state or municipality which are rated by S&P in one of the two highest rating categories assigned by such agencies;

(k) money market funds, federal funds or bankers acceptances with a maximum term of one year of any bank which has an unsecured, uninsured and unguaranteed obligation rating of “A-1” or “A” or better by S&P;

(l) repurchase agreements for thirty (30) days or less (or for more than thirty (30) days if such repurchase agreements provide for the transfer of securities from a dealer bank or securities firm (seller/borrower) to the Trustee and the transfer of cash from the Trustee to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the Trustee in exchange for the securities at a specified date), which satisfy the following criteria:

(i) repurchase agreements must be between the Trustee and (A) a primary dealer on the Federal Reserve reporting dealer list which falls under the jurisdiction of the Securities Investors Protection Corporation and which are rated "A" or better by S&P, or (B) a bank rated "A" or better by S&P;

(ii) the written repurchase agreement contract must include the following: (A) securities acceptable for transfer, which may be direct U.S. government obligations, or federal agency obligations backed by the full faith and credit of the U.S. government; (B) the term of the repurchase agreement may be up to 30 days; (C) the collateral must be delivered to the Trustee or a third party acting as agent for the Trustee simultaneous with payment (perfection by possession of certificated securities); (D) the Trustee must have a perfected first priority security interest in the collateral; (E) the collateral must be free and clear of third-party liens and, in the case of a broker which falls under the jurisdiction of the Securities Investors Protection Corporation, are not subject to a repurchase agreement or a reverse repurchase agreement; (F) failure to maintain the requisite collateral percentage, after a two day restoration period, will require the Trustee to liquidate the collateral; (G) the securities must be valued weekly, marked-to-market at current market price plus accrued interest and the value of collateral must be equal to 104% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest (unless the securities used as collateral are obligations of the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, in which case the collateral must be equal to 105% of the amount of cash transferred by the Trustee to the dealer bank or securities firm under the repurchase agreement plus accrued interest). If the value of securities held as collateral falls below 104% of the value of the cash transferred by the Trustee, then additional cash and/or acceptable securities must be transferred; and

(iii) a legal opinion must be delivered to the Trustee to the effect that the repurchase agreement meets guidelines under state law for legal investment of public funds;

(m) pre-refunded municipal bonds rated "AAA" by S&P; and

(n) the Local Agency Investment Fund of the State of California, created pursuant to Section 16429.1 of the California Government Code.

"Principal Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(b).

"Principal Corporate Trust Office" means such corporate trust office of the Trustee as may be designated from time to time by written notice from the Trustee to the Successor

Agency. Except that with respect to presentation of Bonds for payment or for registration of transfer and exchange such term shall mean the corporate trust office of U.S. Bank Trust Company, National Association in St. Paul, Minnesota or such other office or agency of the Trustee at which at any particular time, its corporate trust agency or operations shall be conducted.

“Project Area” means the project area described in the Redevelopment Plan.

“Qualified Reserve Account Credit Instrument” means (i) the 2026 Reserve Policy and (ii) an irrevocable standby or direct-pay letter of credit, insurance policy, or surety bond issued by a commercial bank or insurance company and deposited with the Trustee, provided that all of the following requirements are met at the time of acceptance thereof by the Trustee: (a) S&P or Moody’s have assigned a long-term credit rating to such bank or insurance company of “A” or higher; (b) such letter of credit, insurance policy or surety bond has a term of at least 12 months; (c) such letter of credit, insurance policy or surety bond has a stated amount at least equal to the Reserve Requirement or, if such letter of credit, insurance policy or surety bond is being provided with respect to only a portion of the Reserve Requirement, such letter of credit, insurance policy or surety bond has a stated amount at least equal to that portion of the Reserve Requirement with respect to which funds are proposed to be released; and (d) the Trustee is authorized pursuant to the terms of such letter of credit, insurance policy or surety bond to draw thereunder an amount equal to any deficiencies which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Section 4.03 of this Indenture.

“Recognized Obligation Payment Schedule” means the schedule by that name prepared before each six-month fiscal period in accordance with the requirements of Section 34177(l) of the California Health and Safety Code.

“Record Date” means, with respect to any Interest Payment Date, the close of business on the fifteenth (15th) calendar day of the month preceding such Interest Payment Date, whether or not such fifteenth (15th) calendar day is a Business Day.

“Redevelopment Obligation Retirement Fund” means the fund established and held by the Successor Agency pursuant to Section 34170.5(a) of the California Health and Safety Code.

“Redevelopment Plan” means the Amended and Restated Redevelopment Plan for Milpitas Redevelopment Project Area No. 1 approved by Ordinance No. 192.14 of the City Council of the City of Milpitas adopted June 17, 2003, together with any amendments thereof thereafter duly enacted pursuant to the Law.

“Redevelopment Property Tax Trust Fund” means the fund established pursuant to Section 34170.5(b) of the California Health and Safety Code and administered by the Santa Clara County Auditor–Controller.

“Registration Books” means the records maintained by the Trustee pursuant to Section 2.08 for the registration and transfer of ownership of the Bonds.

“Refunding Law” means Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State, and the acts amendatory thereof and supplemented thereto.

"Report" means a document in writing signed by an Independent Redevelopment Consultant and including:

(a) a statement that the person or firm making or giving such Report has read the pertinent provisions of this Indenture to which such Report relates;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the Report is based; and

(c) a statement that, in the opinion of such person or firm, sufficient examination or investigation was made as is necessary to enable said consultant to express an informed opinion with respect to the subject matter referred to in the Report.

"Reserve Account" means the account by that name established and held by the Trustee pursuant to Section 4.03(d).

"Reserve Requirement" means the lesser of (i) 125% of the average Annual Debt Service with respect to the 2026 Bonds, (ii) Maximum Annual Debt Service with respect to the 2026 Bonds or (iii) 10% of the amount (within the meaning of Section 148 of the Code) of the Bonds; provided, that the Successor Agency may meet all or a portion of the Reserve Requirement by depositing a Qualified Reserve Account Credit Instrument meeting the requirements of Section 4.03(d) hereof.

"S&P" means S&P Global Ratings, Inc., and its successors.

"Securities Depositories" means DTC and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Successor Agency may designate in a Written Request of the Successor Agency delivered to the Trustee.

"Semiannual Period" means (a) each six-month period beginning on January 1 of any calendar year and ending on June 30 of such calendar year, and (b) each six-month period beginning on July 1 of any calendar year and ending on December 31 of such calendar year.

"State" means the State of California.

"Subordinate Debt" means any Loan, advances or indebtedness issued or incurred by the Successor Agency, which are either: (a) payable from, but not secured by a pledge of or lien upon, the Tax Revenues, including revenue bonds and other debts and obligations scheduled for payment pursuant to Section 34183(a)(2) of the Law; or (b) secured by a pledge of or lien upon the Tax Revenues which is subordinate to the pledge of and lien upon the Tax Revenues hereunder for the security of the Bonds.

"Successor Agency" means the Successor Agency to the Former Milpitas Redevelopment Agency, a public entity duly organized and existing under the Law.

"Supplemental Indenture" means any resolution, agreement or other instrument that has been duly adopted or entered into by the Successor Agency, but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Tax Revenues" means all taxes that were eligible for allocation to the Former Agency with respect to the Project Area and are allocated to the Successor Agency pursuant to Article 6 of Chapter 6 (commencing with Section 33670) of the Law and Section 16 of Article XVI of the Constitution of the State, or pursuant to other applicable State laws, and that are deposited in the Redevelopment Property Tax Trust Fund for transfer to the Successor Agency for deposit into the Redevelopment Obligation Retirement Fund, excluding therefrom the administration charge of the County and all amounts required to be paid to taxing entities pursuant to Sections 33607.5 and 33607.7 of the Law unless such payments are subordinated to payments on the 2026 Bonds or any additional Bonds pursuant to Section 33607.5(e) of the Law and 34177.5(c) of the Dissolution Act.

"Trustee" means U.S. Bank Trust Company, National Association, as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

"Written Request of the Successor Agency" or "Written Certificate of the Successor Agency" means a request or certificate, in writing signed by an Authorized Officer, or by any other officer of the Successor Agency duly authorized by the Successor Agency for that purpose.

"2015 Bonds" means the Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1).

"2015 Bonds Refunding Fund" means the fund by that name established in Section 3.04 hereof.

"2015 Bonds Refunding Instructions" means those Irrevocable Refunding Instructions dated the date of issuance and delivery of the 2026 Bonds relating to the defeasance and refunding of the 2015 Bonds, executed by the Successor Agency and delivered to U.S. Bank Trust Company, National Association, as trustee of the 2015 Bonds.

"2026 Reserve Insurance Agreement" means the Insurance Agreement dated the Closing Date with respect to the 2026 Bonds between the 2026 Reserve Insurer and the Successor Agency.

"2026 Reserve Insurer" means _____, or any successor thereto or assignee thereof, as issuer of the 2026 Reserve Policy.

"2026 Reserve Policy" means municipal bond debt service reserve insurance policy issued by the 2026 Reserve Insurer in the principal amount of \$_____.

"2026 Bonds" means the Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1).

Section 1.03. Rules of Construction. All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture, and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS

Section 2.01. Authorization of 2026 Bonds. The 2026 Bonds in the aggregate principal amount of \$_____ are hereby authorized to be issued by the Successor Agency under and subject to the terms of this Indenture, the Law, the Dissolution Act and the Refunding Law. This Indenture constitutes a continuing agreement with the Owners of all of the Bonds, including the 2026 Bonds, issued or to be issued hereunder and then Outstanding to secure the full and final payment of principal and the interest on all Bonds, including the 2026 Bonds, which may from time to time be executed and delivered hereunder, subject to the covenants, agreements, provisions and conditions herein contained. The 2026 Bonds shall be as one series designated the "Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1)".

Section 2.02. Terms of 2026 Bonds. The 2026 Bonds shall be dated as of the Closing Date, and shall be issued in fully registered form without coupons in the denomination of \$5,000 or any integral multiple thereof. The 2026 Bonds shall mature and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rate per annum as follows:

Maturity Date (September 1)	Principal Amount	Interest Rate Per Annum
2027		
2028		
2029		
2030		
2031		
2032		

Interest on the 2026 Bonds (including the final interest payment upon maturity) shall be payable on each Interest Payment Date to the person whose name appears on the Registration Books as the Owner thereof as of the Record Date immediately preceding each such Interest Payment Date, such interest to be paid by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date, to such Owner at the address of such Owner as it appears on the Registration Books as of such Record Date; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of 2026 Bonds in the aggregate principal amount of \$1,000,000 or more who shall furnish written wire instructions to the Trustee prior to the applicable Record Date. Principal on any 2026 Bond shall be paid upon presentation and surrender thereof, at maturity, at the Principal Corporate Trust Office of the Trustee. Both the principal of and interest and premium (if any) on the 2026 Bonds shall be payable in lawful money of the United States of America.

Each 2026 Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (a) it is authenticated after a Record Date and on or before the following Interest Payment Date, in which event it shall bear interest from such Interest Payment Date; or (b) a 2026 Bond is authenticated on or before the first Record Date, in which event it shall bear interest from the Closing Date; *provided, however*, that if, as of the date of authentication of any 2026 Bond, interest thereon is in default, such 2026 Bond shall

bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment thereon.

Section 2.03. Redemption. The 2026 Bonds are not subject to redemption prior to maturity.

Section 2.04. Form of 2026 Bonds. The 2026 Bonds, the form of Trustee's Certificate of Authentication, and the form of Assignment to appear thereon, shall be substantially in the form set forth in Exhibit A, which is attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

Section 2.05. Execution of 2026 Bonds. The 2026 Bonds shall be executed on behalf of the Successor Agency by the signature of the Executive Director, Assistant Executive Director or Treasurer/Chief Financial Officer of the Successor Agency who are in office on the date of execution and delivery of this Indenture or at any time thereafter. Either or both of such signatures may be made manually or may be affixed by facsimile thereof. The 2026 Bonds shall be attested by the manual or facsimile of the Successor Agency Secretary. If any officer whose signature appears on any 2026 Bond ceases to be such officer before delivery of the 2026 Bonds to the purchaser, such signature shall nevertheless be as effective as if the officer had remained in office until the delivery of the 2026 Bonds to the purchaser. Any 2026 Bond may be signed and attested on behalf of the Successor Agency by such persons as at the actual date of the execution of such 2026 Bond shall be the proper officers of the Successor Agency although on the date of such 2026 Bond any such person shall not have been such officer of the Successor Agency.

Only such of the 2026 Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore set forth, manually executed and dated by the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such Certificate shall be conclusive evidence that such 2026 Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture. In the event temporary 2026 Bonds are issued pursuant to Section 2.09 hereof, the temporary 2026 Bonds may bear thereon a Certificate of Authentication executed and dated by the Trustee, shall be initially registered by the Trustee, and, until so exchanged as provided under Section 2.09 hereof, the temporary 2026 Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive 2026 Bonds authenticated and delivered hereunder.

Section 2.06. Transfer of Bonds. Any Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of such Bond to the Trustee at its Principal Corporate Trust Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. Whenever any Bond or Bonds shall be surrendered for registration of transfer, the Successor Agency shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds, of like series, interest rate, maturity and principal amount of authorized denomination. The Trustee shall collect from the Owner any tax or other governmental charge on the transfer of any Bonds pursuant to this Section 2.06. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer shall be paid by the Successor Agency.

Section 2.07. Exchange of Bonds. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of any Bonds pursuant to this Section 2.07. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange shall be paid by the Successor Agency.

Section 2.08. Registration of Bonds. The Trustee will keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours be open to inspection by the Successor Agency, upon reasonable prior notice to the Trustee; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books Bonds as hereinbefore provided.

Section 2.09. Temporary Bonds. The Bonds may be initially issued in temporary form exchangeable for definitive Bonds when ready for delivery. The temporary Bonds may be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Successor Agency, and may contain such reference to any of the provisions of this Indenture as may be appropriate. Every temporary Bond shall be executed by the Successor Agency upon the same conditions and in substantially the same manner as the definitive Bonds. If the Successor Agency issues temporary Bonds, it will execute and furnish definitive Bonds without delay, and thereupon the temporary Bonds shall be surrendered, for cancellation, in exchange therefor at the Trust Office of the Trustee, and the Trustee shall authenticate and deliver in exchange for such temporary Bonds an equal aggregate principal amount of definitive Bonds of authorized denominations, interest rates and like maturities. Until so exchanged, the temporary Bonds shall be entitled to the same benefits pursuant to this Indenture as definitive Bonds authenticated and delivered hereunder.

Section 2.10. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the Successor Agency, at the expense of the Owner of such Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee shall be canceled by it. If any Bond shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Successor Agency and the Trustee and, if such evidence be satisfactory to both and indemnity satisfactory to them shall be given, the Successor Agency, at the expense of the Owner, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor and amount in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond has matured, instead of issuing a substitute Bond, the Trustee may pay the same without surrender thereof upon receipt of indemnity satisfactory to the Trustee and the Successor Agency). The Successor Agency may require payment by the Owner of a sum not exceeding the actual cost of preparing each new Bond issued under this Section 2.10 and of the expenses which may be incurred by the Successor Agency and the Trustee in the premises. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the Successor Agency whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued pursuant to this Indenture.

Section 2.11. Book-Entry System.

(a) Original Delivery. The Bonds shall be initially delivered in the form of a separate single fully registered Bond without coupons (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the ownership of each such Bond shall be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds shall be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which shall be registered in the name of the Nominee, neither the Successor Agency nor the Trustee shall have any responsibility or obligation to any Depository System Participant or to any person on behalf of which the Depository System Participant holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, neither the Successor Agency nor the Trustee shall have any responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed in the event the Successor Agency elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The Successor Agency and the Trustee may treat and consider the person in whose name each Bond is registered as the absolute owner of such Bond for the purpose of payment of principal, premium and interest on such Bond, for the purpose of giving notices of matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the Successor Agency to make payments of principal, interest and premium, if any, pursuant to this Indenture. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Successor Agency shall promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the Successor Agency and the Trustee shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Successor Agency or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. The Trustee agrees to comply with all provisions in such letter with respect to the giving of notices thereunder by the Trustee. In addition to the execution and delivery of such letter, upon written request of the Depository or the Trustee, the Successor Agency may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. In the event that either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the Successor Agency determines to terminate the Depository as such, then the Successor Agency shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Successor Agency and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Successor Agency fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Article II. Prior to its termination, the Depository shall furnish the Trustee with the names and addresses of the Depository System Participants and respective ownership interests thereof.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium (if any) on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF 2026 Bonds

Section 3.01. Issuance of 2026 Bonds. Upon the execution and delivery of this Indenture, the Successor Agency shall execute and deliver 2026 Bonds to the Trustee in the aggregate principal amount of \$_____ and the Trustee shall authenticate and deliver the 2026 Bonds upon the Written Request of the Successor Agency.

Section 3.02. Application of Proceeds of Sale and Certain Other Amounts. On the Closing Date the proceeds of sale of the 2026 Bonds shall be paid to the Trustee in the amount of \$_____ (being the aggregate principal amount of the 2026 Bonds, plus an original issue premium in the amount of \$_____, less the premium for the 2026 Reserve Policy in the amount of \$_____ paid directly to the 2026 Reserve Insurer, and less an underwriter's discount in the amount of \$_____) and shall be applied as follows:

(a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Account.

(b) The Trustee shall deposit the amount of \$_____, in the 2015 Bonds Refunding Fund.

In addition, the Trustee shall credit the 2026 Reserve Policy to the Reserve Account.

Section 3.03. Bond Proceeds Fund; Costs of Issuance Account. There is hereby established a separate fund to be known as the "Bond Proceeds Fund", which shall be held by the Trustee in trust, and within such Fund there shall be established a separate Costs of Issuance Account. The moneys in the Costs of Issuance Account shall be used and withdrawn by the Trustee from time to time to pay the Costs of Issuance upon submission of a Written Request of the Successor Agency stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. On the date which is six (6) months following the Closing Date, or upon the earlier Written Request of the Successor Agency, all amounts (if any) remaining in the Costs of Issuance Account shall be withdrawn therefrom by the Trustee and transferred to the Interest Account of the Debt Service Fund, and the Trustee shall close the Costs of Issuance Account.

Section 3.04. Refunding Fund. There is hereby created the 2015 Bonds Refunding Fund held by the Trustee in trust for the benefit of the Successor Agency. The moneys in the 2015 Bonds Refunding Fund shall be maintained separate and apart from other moneys of the Successor Agency. The Trustee shall transfer all moneys on deposit in the 2015 Bonds Refunding Fund to U.S. Bank Trust Company, National Association, as trustee of the 2015 Bonds, for deposit and application under and pursuant to the 2015 Bonds Refunding Instructions. Upon making such transfer, the 2015 Bonds Refunding Fund shall be closed.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS

Section 4.01. Security of Bonds; Equal Security. Except as provided in Section 6.06, the Bonds shall be equally secured by a pledge of, security interest in and lien on all of the Tax Revenues, including all of the Tax Revenues in the Redevelopment Obligation Retirement Fund and a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Debt Service Fund, the Interest Account, and the Principal Account, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery. The Bonds shall be additionally secured by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Reserve Account established by Section 4.03(d). The Bonds shall be also equally secured by the pledge and lien created with respect to the Bonds by Section 34177.5(g) of the Law on moneys deposited from time to time in the Redevelopment Property Tax Trust Fund. Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

In consideration of the acceptance of the Bonds by those who shall hold the same from time to time, this Indenture shall be deemed to be and shall constitute a contract between the Successor Agency and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the Successor Agency shall be for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

Section 4.02. Redevelopment Obligation Retirement Fund; Deposit of Tax Revenues. The Successor Agency has heretofore established the Redevelopment Obligation Retirement Fund pursuant to Section 34170.5(a) of the Law which the Successor Agency shall continue to hold and maintain so long as any of the Bonds are Outstanding.

The Successor Agency shall deposit all of the Tax Revenues received with respect to any Semiannual Period in accordance with Section 5.08 hereof into the Redevelopment Obligation Retirement Fund promptly upon receipt thereof by the Successor Agency. All Tax Revenues received by the Successor Agency in excess of the amount required to make the deposits required herein in order to pay debt service on the Bonds and to make any other payments due hereunder, and except as may be provided to the contrary in this Indenture or in any Supplemental Indenture, shall be released from the pledge and lien hereunder and shall be applied in accordance with the Law, including but not limited to the payment of debt service on any Subordinate Debt. Prior to the payment in full of the principal of and interest on the Bonds and the payment in full of all other amounts payable hereunder and under any Supplemental Indentures, the Successor Agency shall not have any beneficial right or interest in the moneys on deposit in the Redevelopment Obligation Retirement Fund, except as may be provided in this Indenture and in any Supplemental Indenture.

Section 4.03. Deposit of Amounts by Trustee. There is hereby established a trust fund to be known as the Debt Service Fund, which shall be held by the Trustee hereunder in trust. Moneys in the Redevelopment Obligation Retirement Fund shall be transferred by the Successor Agency to the Trustee in the following amounts, at the following times, and deposited

by the Trustee in the following respective special accounts, which are hereby established in the Debt Service Fund, and in the following order of priority:

(a) Interest Account. On or before the fourth (4th) Business Day preceding each Interest Payment Date, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee, for deposit in the Interest Account an amount which, when added to the amount contained in the Interest Account on that date, will be equal to the aggregate amount of the interest becoming due and payable on the Outstanding Bonds on such Interest Payment Date. No such deposit need be made to the Interest Account if the amount contained therein is at least equal to the interest to become due on the next succeeding Interest Payment Date upon all of the Outstanding Bonds. All moneys in the Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Bonds as it shall become due and payable.

(b) Principal Account. On or before the fourth (4th) Business Day preceding each September 1 on which the principal of the Bonds becomes due and payable, and at maturity, the Successor Agency shall withdraw from the Redevelopment Obligation Retirement Fund and transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, will be equal to the amount of principal coming due and payable on such date on the Bonds. No such deposit need be made to the Principal Account if the amount contained therein is at least equal to the principal to become due on the next September 1 on all of the Outstanding Bonds. All moneys in the Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Bonds as it shall become due and payable.

(c) [Reserved]

(d) Reserve Account. There is hereby established in the Debt Service Fund a separate account known as the "Reserve Account" solely as security for payments payable by the Successor Agency pursuant to this Section 4.03, which shall be held by the Trustee in trust for the benefit of the Owners of the Bonds. The Reserve Requirement for the 2026 Bonds will be satisfied by the delivery of the 2026 Reserve Policy by the 2026 Reserve Insurer on the Closing Date with respect to the 2026 Bonds. The Successor Agency will have no obligation to replace the 2026 Reserve Policy or to fund the Reserve Account with cash if, at any time that the 2026 Bonds are Outstanding, amounts are not available under the 2026 Reserve Policy other than in connection with a draw on the 2026 Reserve Policy.

Except as provided in the preceding paragraph and as may be provided in a Supplemental Indenture, in the event that the amount on deposit in the Reserve Account at any time becomes less than the Reserve Requirement, the Trustee shall promptly notify the Successor Agency of such fact. Upon receipt of any such notice and as promptly as is permitted by the Law, the Successor Agency shall transfer to the Trustee an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account.

Except as provided above, the amount on deposit in the Reserve Account shall be maintained at the Reserve Requirement at all times prior to the payment of the Bonds in full. If there shall then not be sufficient Tax Revenues to transfer an amount sufficient

to maintain the Reserve Requirement on deposit in the Reserve Account, the Successor Agency shall be obligated to continue making transfers as Tax Revenues become available until there is an amount sufficient to maintain the Reserve Requirement on deposit in the Reserve Account. No such transfer and deposit need be made to the Reserve Account so long as there shall be on deposit therein a sum at least equal to the Reserve Requirement. All money in the Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of making transfers hereunder to the Interest Account and the Principal Account, in the event of any deficiency at any time in any of such accounts or for the retirement of all the Bonds then Outstanding, except that so long as the Successor Agency is not in default hereunder, any amount in the Reserve Account in excess of the Reserve Requirement shall be withdrawn from the Reserve Account semiannually on or before two (2) Business Days preceding each March 1 and September 1 by the Trustee and deposited in the Interest Account. All amounts in the Reserve Account on the Business Day preceding the final Interest Payment Date shall be withdrawn from the Reserve Account and shall be transferred to the Interest Account and the Principal Account, in such order, to the extent required to make the deposits then required to be made pursuant to this Section 4.03.

The Successor Agency shall have the right at any time to direct the Trustee to release funds from the Reserve Account, in whole or in part, by tendering to the Trustee: (i) a Qualified Reserve Account Credit Instrument, and (ii) an opinion of Bond Counsel stating that neither the release of such funds nor the acceptance of such Qualified Reserve Account Credit Instrument will cause interest on the Bonds to become includable in gross income for purposes of federal income taxation. Upon tender of such items to the Trustee, and upon delivery by the Successor Agency to the Trustee of written calculation of the amount permitted to be released from the Reserve Account (upon which calculation the Trustee may conclusively rely), the Trustee shall transfer such funds from the Reserve Account to the Successor Agency to be applied in accordance with the Law. The Trustee shall comply with all documentation relating to a Qualified Reserve Account Credit Instrument as shall be required to maintain such Qualified Reserve Account Credit Instrument in full force and effect and as shall be required to receive payments thereunder in the event and to the extent required to make any payment when and as required under this paragraph (d). Upon the expiration of any Qualified Reserve Account Credit Instrument, the Successor Agency shall either (i) replace such Qualified Reserve Account Credit Instrument with a new Qualified Reserve Account Credit Instrument, or (ii) deposit or cause to be deposited with the Trustee an amount of funds equal to the Reserve Requirement, to be derived from the first legally available Tax Revenues. If the Reserve Requirement is being maintained partially in cash and partially with a Qualified Reserve Account Credit Instrument, the cash shall be first used to meet any deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a) or 4.03(b) of this Indenture. If the Reserve Requirement is being maintained with two or more Qualified Reserve Account Credit Instruments, any draw to meet a deficiency which may exist from time to time in the Interest Account or the Principal Account for the purpose of making payments required pursuant to Sections 4.03(a), 4.03(b) or 4.03(c) of this Indenture shall be pro-rata with respect to each such instrument. If the Reserve Requirement with respect to a particular series of Bonds is secured by a Qualified Reserve Account Credit Instrument that relates only to such series of Bonds, the calculation of Reserve Requirement for such series of Bonds shall be calculated on a stand alone basis.

ARTICLE V

OTHER COVENANTS OF THE SUCCESSOR AGENCY

Section 5.01. Punctual Payment. The Successor Agency shall punctually pay or cause to be paid the principal and interest to become due in respect of all the Bonds together with the premium thereon, if any, in strict conformity with the terms of the Bonds and of this Indenture. The Successor Agency shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures and the Bonds. Nothing herein contained shall prevent the Successor Agency from making advances of its own moneys howsoever derived to any of the uses or purposes referred to herein.

Section 5.02. Limitation on Additional Indebtedness; Against Encumbrances. The Successor Agency hereby covenants that, so long as the Bonds are Outstanding, the Successor Agency shall not issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any indebtedness, which is in any case payable from all or any part of the Tax Revenues.

Section 5.03. Extension of Payment. The Successor Agency will not, directly or indirectly, extend or consent to the extension of the time for the payment of any Bond or claim for interest on any of the Bonds and will not, directly or indirectly, be a party to or approve any such arrangement by purchasing or funding the Bonds or claims for interest in any other manner. In case the maturity of any such Bond or claim for interest shall be extended or funded, whether or not with the consent of the Successor Agency, such Bond or claim for interest so extended or funded shall not be entitled, in case of default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Bonds then Outstanding and of all claims for interest which shall not have been so extended or funded.

Section 5.04. Payment of Claims. The Successor Agency shall promptly pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge upon the properties owned by the Successor Agency or upon the Tax Revenues or other amounts pledged to the payment of the Bonds, or any part thereof, or upon any funds in the hands of the Trustee, or which might impair the security of the Bonds. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said claims.

Section 5.05. Books and Accounts; Financial Statements. The Successor Agency shall at all times keep, or cause to be kept, proper and current books and accounts in which accurate entries are made of the financial transactions and records of the Successor Agency. Within one hundred eighty (180) days after the close of each Fiscal Year an Independent Certified Public Accountant shall prepare an audit of the financial transactions and records of the Successor Agency for such Fiscal Year. To the extent permitted by law, such audit may be included within the annual audited financial statements of the City. The Successor Agency shall furnish a copy of such financial statements to any Owner upon reasonable request of such Owner and at the expense of such Owner. The Trustee shall have no duty to review such audits.

Section 5.06. Protection of Security and Rights of Owners. The Successor Agency will preserve and protect the security of the Bonds and the rights of the Owners. From and after the

Closing Date with respect to the 2026 Bonds, the 2026 Bonds shall be incontestable by the Successor Agency.

Section 5.07. Payments of Taxes and Other Charges. Except as otherwise provided herein, the Successor Agency will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges which may hereafter be lawfully imposed upon the Successor Agency or the properties then owned by the Successor Agency in the Project Area, or upon the revenues therefrom when the same shall become due. Nothing herein contained shall require the Successor Agency to make any such payment so long as the Successor Agency in good faith shall contest the validity of said taxes, assessments or charges. The Successor Agency will duly observe and conform with all valid requirements of any governmental authority relative to the Project Area or any part thereof.

Section 5.08. Compliance with the Law; Recognized Obligation Payment Schedules. The Successor Agency shall comply with all of the requirements of the Law. Pursuant to Section 34177 of the Law, the Successor Agency shall submit to the Oversight Board and the State Department of Finance, an annual Recognized Obligation Payment Schedule. The Successor Agency shall take all actions required under the Law to include in the Recognized Obligation Payment Schedule for each Semiannual Period, **which may include reserve amounts for a subsequent Semiannual Period**, (i) debt service on the Bonds and (ii) all amounts due and owing to the 2026 Reserve Insurer hereunder or under the 2026 Reserve Insurance Agreement, so as to enable the Santa Clara County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund for deposit in the Redevelopment Obligation Retirement Fund on each January 2 and June 1, as applicable, amounts required to enable the Successor Agency to pay timely principal of, and interest on, the Bonds on a timely basis, as such amounts of debt service are set forth in the Recognized Obligation Payment Schedule attached hereto as Exhibit B and hereby made a part hereof, or as such Schedule may be hereafter amended, as well as all amounts due and owing to the 2026 Reserve Insurer hereunder or under the 2026 Reserve Insurance Agreement.

In the event the provisions set forth in the Dissolution Act as of the Closing Date of the 2026 Bonds that relate to the filing of Recognized Obligation Payment Schedules are amended or modified in any manner, the Successor Agency agrees to take all such actions as are necessary to comply with such amended or modified provisions so as to ensure the timely payment of debt service on the Bonds and, if the timing of distributions of the Redevelopment Property Tax Trust Fund is changed, the receipt of (i) not less than one half of debt service due during each Bond Year on all Outstanding Bonds prior to March 1 of such Bond Year, and (ii) the remainder of debt service due during such Bond Year on all Outstanding Bonds prior to the next succeeding September 1.

Section 5.09. [Reserved].

Section 5.10. Dissolution Act Invalid; Maintenance of Tax Revenues. In the event that the applicable property tax revenues provisions of the Dissolution Act are determined by a court in a final judicial decision to be invalid and, in place of the invalid provisions, provisions of the Law or the equivalent become applicable to the Bonds, the Successor Agency shall comply with all requirements of the Law or the equivalent to ensure the allocation and payment to it of the Tax Revenues, including without limitation the timely filing of any necessary statements of indebtedness with appropriate officials of the County and, in the case of amounts payable by the State, appropriate officials of the State.

Section 5.11. No Arbitrage. The Successor Agency shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the 2026 Bonds which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the date of issuance of the 2026 Bonds would have caused the 2026 Bonds to be “arbitrage bonds” within the meaning of section 148 of the Code.

Section 5.12. Private Activity Bond Limitation. The Successor Agency shall assure that the proceeds of the 2026 Bonds are not so used as to cause the 2026 Bonds to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.13. Federal Guarantee Prohibition. The Successor Agency shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the 2026 Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code.

Section 5.14. Rebate Requirement. The Successor Agency shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the 2026 Bonds.

Section 5.15. Maintenance of Tax-Exemption. The Successor Agency shall take all actions necessary to assure the exclusion of interest on the 2026 Bonds from the gross income of the Owners of the 2026 Bonds to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the date of issuance of the 2026 Bonds.

Section 5.16. Continuing Disclosure. The Successor Agency hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Indenture, failure of the Successor Agency to comply with the Continuing Disclosure Certificate shall not be an Event of Default hereunder. However, any Participating Underwriter or any holder or beneficial owner of the 2026 Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Successor Agency to comply with its obligations under this Section 5.16.

Section 5.17. Provisions Relating to the 2026 Reserve Policy.

[to come]

ARTICLE VI
THE TRUSTEE

Section 6.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiver of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants, duties or obligations shall be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Successor Agency may remove the Trustee at any time, unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time the Successor Agency has knowledge that the Trustee shall cease to be eligible in accordance with subsection (e) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of written notice of such removal by the Successor Agency to the Trustee, whereupon the Successor Agency shall appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the Successor Agency and by giving the Owners notice of such resignation by first class mail, postage prepaid, at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the Successor Agency shall promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. If no successor Trustee shall have been appointed and have accepted appointment within forty-five (45) days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction at the expense of the Successor Agency for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing, acknowledging and delivering to the Successor Agency and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the Written Request of the Successor Agency or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title

and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the Successor Agency shall execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the Successor Agency shall mail a notice of the succession of such Trustee to the trusts hereunder to the Owners at their respective addresses shown on the Registration Books. If the Successor Agency fails to mail such notice within fifteen (15) days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the Successor Agency.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall be a financial institution having a corporate trust office in the State, having (or in the case of a corporation or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least \$75,000,000, and subject to supervision or examination by federal or state authority. If such financial institution publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such financial institution shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in this Section.

The Successor Agency will maintain a Trustee which is qualified under the provisions of the foregoing provisions of this subsection (e), so long as any Bonds are Outstanding.

Section 6.02. Merger or Consolidation. Any bank or trust company into which the Trustee may be merged or converted or with which may be consolidated or any bank or trust company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or trust company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 6.03. Liability of Trustee.

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the Successor Agency, and the Trustee shall not assume responsibility for the correctness of the same, nor make any representations as to the validity or sufficiency of this Indenture or of the security for the Bonds or the tax status of interest thereon nor shall incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee shall, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or intentional misconduct. The Trustee shall not be liable for the acts of any agents of the Trustee selected by it with due care. The Trustee and its officers and employees may become the Owner of any Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any

committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding.

(b) The Trustee shall not be liable for any error of judgment made by a responsible employee or officer, unless the Trustee shall have been negligent in ascertaining the pertinent facts.

(c) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(d) The Trustee shall not be liable for any action taken by it and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or intentional misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(e) The Trustee shall not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer shall have actual knowledge thereof, or shall have received written notice thereof from the Successor Agency at its Principal Corporate Trust Office. In the absence of such actual knowledge or notice, the Trustee may conclusively assume that no Event of Default has occurred and is continuing under this Indenture. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance by any other party of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default thereunder. The Trustee shall not be responsible for the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, the Trustee may rely conclusively on the Successor Agency's certificates to establish the Successor Agency's compliance with its financial covenants hereunder, including, without limitation, its covenants regarding the deposit of Tax Revenues into the Redevelopment Obligation Retirement Fund and the investment and application of moneys on deposit in the Redevelopment Obligation Retirement Fund (other than its covenants to transfer such moneys to the Trustee when due hereunder).

The Trustee shall have no liability or obligation to the Bondowners with respect to the payment of debt service on the Bonds by the Successor Agency or with respect to the observance or performance by the Successor Agency of the other conditions, covenants and terms contained in this Indenture, or with respect to the investment of any moneys in any fund or account established, held or maintained by the Successor Agency pursuant to this Indenture or otherwise.

No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall be entitled to interest on all amounts advanced by it at the maximum rate permitted by law.

The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys or receivers and the Trustee shall

not be responsible for any intentional misconduct or negligence on the part of any agent, attorney or receiver appointed with due care by it hereunder.

The Trustee shall have no responsibility, opinion, or liability with respect to any information, statements or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of these Bonds.

Before taking any action under Article VIII or this Article at the request of the Owners the Trustee may require that a satisfactory indemnity bond be furnished by the Owners for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct in connection with any action so taken.

The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of enforced delay ("unavoidable delay") in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Bonds, malicious mischief, condemnation, and unusually severe weather and/or occurrences beyond the control of the Trustee.

Section 6.04. Right to Rely on Documents and Opinions. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or prescribed by the proper party or parties, and shall not be required to make any investigation into the facts or matters contained thereon. The Trustee may consult with counsel, including, without limitation, counsel of or to the Successor Agency, with regard to legal questions, and, in the absence of negligence or intentional misconduct by the Trustee, the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee shall not be bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and his title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Written Certificate of the Successor Agency, which shall be full warrant to the Trustee for any action taken or suffered under the provisions of this Indenture in reliance upon such Written Certificate, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant or Independent Redevelopment Consultant appointed by the Successor Agency.

Section 6.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Indenture shall be retained in its possession and shall be subject at all reasonable times upon reasonable notice to the inspection of the Successor Agency and any Owner, and their agents and representatives duly authorized in writing, during regular business hours and under reasonable conditions.

Section 6.06. Compensation and Indemnification. The Successor Agency shall pay to the Trustee from time to time reasonable compensation for all services rendered under this Indenture in accordance with the letter proposal from the Trustee approved by the Successor Agency and also all reasonable expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture. The Trustee shall have a first lien on the Tax Revenues and all funds and accounts held by the Trustee hereunder to secure the payment to the Trustee of all fees, costs and expenses, including reasonable compensation to its experts, attorneys and counsel (including the allocated costs and disbursement of in-house counsel to the extent such services are not redundant with those provided by outside counsel).

The Successor Agency further covenants and agrees to indemnify, defend and save the Trustee and its officers, directors, agents and employees, harmless from and against any loss, expense and liabilities which it may incur arising out of or in connection with the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding any and all losses, expenses and liabilities which are due to the negligence or intentional misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the Successor Agency and the rights of the Trustee under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

Section 6.07. Deposit and Investment of Moneys in Funds. Moneys in the Debt Service Fund, the Interest Account, the Principal Account, the Reserve Account and the Costs of Issuance Account shall be invested by the Trustee in Permitted Investments as directed by the Successor Agency in the Written Request of the Successor Agency filed with the Trustee at least two (2) Business Days in advance of the making of such investments. In the absence of any such Written Request of the Successor Agency, the Trustee shall invest any such moneys in Permitted Investments described in clause (d) of the definition thereof, which by their terms mature prior to the date on which such moneys are required to be paid out hereunder. The Trustee shall be entitled to rely conclusively upon the written instructions of the Successor Agency directing investments in Permitted Investments as to the fact that each such investment is permitted by the laws of the State, and shall not be required to make further investigation with respect thereto. Moneys in the Redevelopment Obligation Retirement Fund may be invested by the Successor Agency in any obligations in which the Successor Agency is legally authorized to invest its funds. Obligations purchased as an investment of moneys in any fund shall be deemed to be part of such fund or account. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder shall be deposited in the Interest Account. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made at the direction of the Successor Agency or otherwise made pursuant to this Section.

The Successor Agency acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Successor Agency the right to receive brokerage confirmations of security transactions as they occur, the Successor Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Successor Agency periodic cash transaction statements which shall include detail for all investment transactions made by the Trustee hereunder.

All moneys held by the Trustee shall be held in trust, but need not be segregated from other funds unless specifically required by this Indenture. Except as specifically provided in this Indenture, the Trustee shall not be liable to pay interest on any moneys received by it, but shall be liable only to account to the Successor Agency for earnings derived from funds that have been invested.

The Successor Agency covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Indenture, or otherwise containing gross proceeds of the Bonds (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued (as of the date that valuation is required by this Indenture or the Code) at Fair Market Value. The Trustee has no duty in connection with the determination of Fair Market Value other than to follow the investment directions of the Successor Agency in any Written Certificate or Written Request of the Successor Agency.

For purposes of this Section 6.07, the term "Fair Market Value" shall mean the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, or (iii) the investment is a United States Treasury Security -- State and Local Government Series which is acquired in accordance with applicable regulations of the United States Bureau of Public Debt.

Section 6.08. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which accurate entries shall be made of all transactions of the Trustee relating to the proceeds of the Bonds made by it and all funds and accounts held by the Trustee established pursuant to this Indenture. Such books of record and account shall be available for inspection by the Successor Agency upon reasonable prior notice, at reasonable hours and under reasonable circumstances. The Trustee shall furnish to the Successor Agency, at least monthly, an accounting of all transactions in the form of its customary statements relating to the proceeds of the Bonds and all funds and accounts held by the Trustee pursuant to this Indenture.

Section 6.09. Appointment of Co-Trustee or Agent. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in the case of litigation under this Indenture, and in particular in case of the enforcement of the rights of the Trustee on default, or

in the case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate co-trustee. The following provisions of this Section 6.09 are adopted to these ends.

In the event that the Trustee shall appoint an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest in such separate or co-trustee but only to the extent necessary to enable such separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them; provided, however, in no event shall the Trustee be responsible or liable for the acts or omissions of any co-trustee.

Should any instrument in writing from the Successor Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Successor Agency. In case any separate trustee or co-trustee, or a successor to either, shall become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 6.10. Other Transactions with Successor Agency. The Trustee, either as principal or agent, may engaged in or be interested in any financial or other transaction with the Successor Agency.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 7.01. Amendment With And Without Consent of Owners. This Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding upon adoption and without the consent of any Owners, to the extent permitted by law and only for any one or more of the following purposes-

(a) to add to the covenants and agreements of the Successor Agency in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or powers herein reserved to or conferred upon the Successor Agency; or

(b) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in any other respect whatsoever as the Successor Agency may deem necessary or desirable, provided under any circumstances that such modifications or amendments shall not, in the reasonable determination of the Successor Agency, materially adversely affect the interests of the Owners; or

(c) to amend any provision hereof relating to the requirements of or compliance with the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exemption from federal income taxation of interest on any of the Bonds, in the opinion of Bond Counsel; or

(d) to amend the Recognized Obligation Debt Service Payment Schedule set forth in Exhibit B.

Except as set forth in the preceding paragraph, this Indenture and the rights and obligations of the Successor Agency and of the Owners may be modified or amended at any time by a Supplemental Indenture which shall become binding with the consent of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding are filed with the Trustee. No such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal and interest at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the Owner of such Bond, or (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification. In no event shall any Supplemental Indenture modify any of the rights or obligations of the Trustee without its prior written consent. In addition, the Trustee shall be entitled to an opinion of counsel concerning the Supplemental Indenture's lack of any material adverse effect on the Owners.

Section 7.02. Effect of Supplemental Indenture. From and after the time any Supplemental Indenture becomes effective pursuant to this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification

and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 7.03. Endorsement or Replacement of Bonds After Amendment. After the effective date of any amendment or modification hereof pursuant to this Article VII, the Successor Agency may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the Successor Agency, as to such amendment or modification and in that case upon demand of the Successor Agency the Owners of such Bonds shall present such Bonds for that purpose at the Principal Corporate Trust Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the Successor Agency may determine that new Bonds shall be prepared at the expense of the Successor Agency and executed in exchange for any or all of the Bonds, and in that case, upon demand of the Successor Agency, the Owners of the Bonds shall present such Bonds for exchange at the Trust Office of the Trustee, without cost to such Owners.

Section 7.04. Amendment by Mutual Consent. The provisions of this Article VII shall not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner, provided that due notation thereof is made on such Bond.

Section 7.05. Trustee's Reliance. The Trustee may conclusively rely, and is protected in relying, upon a Written Certificate of the Successor Agency and an opinion of Bond Counsel stating that all requirements of this Indenture relating to the amendment or modification hereof have been satisfied and that such amendments or modifications do not materially adversely affect the interests of the Bond Owners.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES OF OWNERS

Section 8.01. Events of Default and Acceleration of Maturities. The following events shall constitute Events of Default hereunder:

(a) if default shall be made by the Successor Agency in the due and punctual payment of the principal of or interest on any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise;

(b) if default shall be made by the Successor Agency in the observance of any of the covenants, agreements or conditions on its part in this Indenture or in the Bonds contained, other than a default described in the preceding clause (a), and such default shall have continued for a period of sixty (60) days following receipt by the Successor Agency of written notice from the Trustee or any Owner of the occurrence of such default, provided that if in the reasonable opinion of the Successor Agency the failure stated in the notice can be corrected, but not within such 60 day period, such failure will not constitute an event of default if corrective action is instituted by the Successor Agency within such 60 day period and the Successor Agency thereafter diligently and in good faith cures such failure in a reasonable period of time; or

(c) If the Successor Agency files a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction will approve a petition seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will approve a petition, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or, if under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction will assume custody or control of the Successor Agency or of the whole or any substantial part of its property.

If an Event of Default has occurred under this Section and is continuing, the Trustee may, or, if requested in writing by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee shall, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) the Trustee shall, subject to the provisions of Section 8.06, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity.

Immediately upon receiving notice or actual knowledge of the occurrence of an Event of Default, the Trustee shall give notice of such Event of Default to the Successor Agency by telephone promptly confirmed in writing. Such notice shall also state whether the principal of the Bonds shall have been declared to be or have immediately become due and payable. With respect to any Event of Default described in clauses (a) or (c) above the Trustee shall, and with respect to any Event of Default described in clause (b) above the Trustee in its sole discretion may, also give such notice to the Owners by mail, which shall include the statement that interest on the Bonds shall cease to accrue from and after the date, if any, on which the Trustee shall have declared the Bonds to become due and payable pursuant to the preceding paragraph (but

only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Successor Agency shall deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest (to the extent permitted by law), and the reasonable fees and expenses of the Trustee, (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) shall have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall have been made therefor, then, and in every such case, the Trustee shall promptly give written notice of the foregoing to the Owners of all Bonds then Outstanding, and the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the Successor Agency and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

Section 8.02. Application of Funds Upon Acceleration. All of the Tax Revenues and all sums in the funds and accounts established and held by the Trustee hereunder upon the date of the declaration of acceleration as provided in Section 8.01, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee in the following order upon presentation of the several Bonds, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid:

First, to the payment of the fees, costs and expenses of the Trustee in declaring such Event of Default and in exercising the rights and remedies set forth in this Article VIII, including reasonable compensation to its agents, attorneys (including the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel) and counsel and any outstanding fees, expenses of the Trustee; and

Second, to the payment of the whole amount then owing and unpaid upon the Bonds for principal and interest, with interest on the overdue principal and installments of interest at the net effective rate then borne by the Outstanding Bonds (to the extent that such interest on overdue installments of principal and interest shall have been collected), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such principal and interest without preference or priority of principal over interest, or interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and

Third, to the payment of all amounts due and owing to the 2026 Reserve Insurer hereunder.

Section 8.03. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings

or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Bonds then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

Section 8.04. Limitation on Owner's Right to Sue. No Owner of any Bond issued hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default; (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners shall have any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

Section 8.05. Non-Waiver. Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, shall affect or impair the obligation of the Successor Agency, which is absolute and unconditional, to pay from the Tax Revenues and other amounts pledged hereunder, the principal of and interest on the Bonds to the respective Owners on the respective Interest Payment Dates, as herein provided, or affect or impair the right of action, which is also absolute and unconditional, of the Owners or the Trustee to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner or the Trustee shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners and the Trustee by the Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Owners and the Trustee.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the Owners or the Trustee, the Successor Agency, the Trustee and the Owners shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

Section 8.06. Actions by Trustee as Attorney-in-Fact. Any suit, action or proceeding which any Owner shall have the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, *provided, however*, the Trustee shall have no duty or obligation to exercise any such right or remedy unless it has been indemnified to its satisfaction from any loss, liability or expense (including fees and expenses of its outside counsel and the allocated costs and disbursements of its in-house counsel to the extent such services are not redundant with those provided by outside counsel).

Section 8.07. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Law or any other law.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Benefits Limited to Parties. Nothing in this Indenture, expressed or implied, is intended to give to any person other than the Successor Agency, the Trustee, the 2026 Reserve Insurer and the Owners, any right, remedy or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the Successor Agency shall be for the sole and exclusive benefit of the Trustee, the 2026 Reserve Insurer and the Owners.

Section 9.02. Successor is Deemed Included in All References to Predecessor. Whenever in this Indenture or any Supplemental Indenture either the Successor Agency or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the Successor Agency or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 9.03. Defeasance of Bonds. If the Successor Agency shall pay and discharge the entire indebtedness on all Bonds or any portion thereof in any one or more of the following ways:

- (i) by well and truly paying or causing to be paid the principal of and interest on all or the applicable portion of Outstanding Bonds, as and when the same become due and payable; or

- (ii) by irrevocably depositing with the Trustee or an escrow agent, in trust, at or before maturity, money which, together with the available amounts then on deposit in the funds and accounts established pursuant to this Indenture, is fully sufficient to pay all or a portion of Outstanding Bonds, including all principal and interest, or;

- (iii) by irrevocably depositing with the Trustee or an escrow agent, in trust, Defeasance Obligations in such amount as an Independent Accountant shall determine will, together with the interest to accrue thereon and available moneys then on deposit in the funds and accounts established pursuant to this Indenture, be fully sufficient to pay and discharge the indebtedness on all Bonds or a portion thereof (including all principal and interest) at or before maturity; or

- (iv) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

then, at the election of the Successor Agency, and notwithstanding that any Bonds shall not have been surrendered for payment, the pledge of the Tax Revenues and other funds provided for in this Indenture and all other obligations of the Trustee and the Successor Agency under this Indenture shall cease and terminate with respect to all Outstanding Bonds or, if applicable, with respect to that portion of the Bonds which has been paid and discharged, except only (a) the covenants of the Successor Agency hereunder with respect to the Code, (b) the obligation of the Trustee to transfer and exchange Bonds hereunder, (c) the obligations of the Successor Agency under Section 6.06 hereof, and (d) the obligation of the Successor Agency to pay or cause to be paid to the Owners, from the amounts so deposited with the Trustee, all sums due thereon and to pay the Trustee all fees, expenses and costs of the Trustee. In the event the

Successor Agency shall, pursuant to the foregoing provision, pay and discharge any portion or all of the Bonds then Outstanding, the Trustee shall be authorized to take such actions and execute and deliver to the Successor Agency all such instruments as may be necessary or desirable to evidence such discharge, including, without limitation, selection by lot of Bonds of any maturity of the Bonds that the Successor Agency has determined to pay and discharge in part.

In the case of a defeasance or payment of all of the Bonds Outstanding, any funds thereafter held by the Trustee which are not required for said purpose or for payment of amounts due the Trustee pursuant to Section 6.06 shall be paid over to the Successor Agency for deposit in the Redevelopment Obligation Retirement Fund.

Section 9.04. Execution of Documents and Proof of Ownership by Owners. Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof shall be proved by the Registration Books.

Any demand, request, direction, consent, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Successor Agency or the Trustee and in accordance therewith, provided, however, that the Trustee shall not be deemed to have knowledge that any Bond is owned by or for the account of the Successor Agency unless the Successor Agency is the registered Owner or the Trustee has received written notice that any other registered Owner is such an affiliate.

Section 9.05. Disqualified Bonds. In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the Successor Agency or the City (but excluding Bonds held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination.

Section 9.06. Waiver of Personal Liability. No member, officer, agent or employee of the Successor Agency shall be individually or personally liable for the payment of the principal of or interest on the Bonds; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

Section 9.07. Destruction of Cancelled Bonds. Whenever in this Indenture provision is made for the surrender to the Trustee of any Bonds which have been paid or cancelled pursuant to the provisions of this Indenture, the Trustee shall destroy such bonds and upon request of the

Successor Agency provide the Successor Agency a certificate of destruction. The Successor Agency shall be entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to.

Section 9.08. Notices. Any notice, request, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or upon receipt when mailed by first class, registered or certified mail, postage prepaid, or sent by telegram, addressed as follows:

If to the Successor Agency:	Successor Agency to the Former Milpitas Redevelopment Agency 455 East Calaveras Blvd. Milpitas, California 95035
Attention:	Executive Director
With Copy to:	City of Milpitas Finance Department 455 East Calaveras Blvd. Milpitas, California 95035
Attention:	Finance Director
If to the Trustee:	U.S. Bank Trust Company, National Association One California Street, Suite 1000 San Francisco, California 94111 Attention: Global Corporate Trust Services

Section 9.09. Partial Invalidity. If any Section, paragraph, sentence, clause or phrase of this Indenture shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The Successor Agency hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable. If, by reason of the judgment of any court, the Trustee is rendered unable to perform its duties hereunder, all such duties and all of the rights and powers of the Trustee hereunder shall, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof, be assumed by and vest in the Treasurer of the Successor Agency in trust for the benefit of the Owners. The Successor Agency covenants for the direct benefit of the Owners that its Treasurer in such case shall be vested with all of the rights and powers of the Trustee hereunder, and shall assume all of the responsibilities and perform all of the duties of the Trustee hereunder, in trust for the benefit of the Bonds, pending appointment of a successor Trustee in accordance with the provisions of Section 6.01 hereof.

Section 9.10. Unclaimed Moneys. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two (2) years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the Successor Agency as its absolute property free from trust, and the Trustee shall

thereupon be released and discharged with respect thereto and the Bond Owners shall look only to the Successor Agency for the payment of the principal of and interest on of such Bonds.

Section 9.11. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.12. Governing Law. This Indenture shall be construed and governed in accordance with the laws of the State.

[Signature Page Follows]

IN WITNESS WHEREOF, the SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY, has caused this Indenture to be signed in its name by its Chief Financial Officer/Treasurer, and attested by its Secretary, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

**SUCCESSOR AGENCY TO THE FORMER
MILPITAS REDEVELOPMENT AGENCY**

By: _____
Chief Financial Officer/Treasurer

ATTEST:

Successor Agency Secretary

APPROVED AS TO FORM:

Christian M. Curtis
City Attorney/General Counsel

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, *as Trustee***

By: _____
Authorized Officer

EXHIBIT A

(FORM OF BOND)

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF SANTA CLARA

SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BOND
(REDEVELOPMENT PROJECT AREA NO. 1)

INTEREST RATE: MATURITY DATE: DATED DATE: CUSIP:
September 1, 20__ November __, 2026

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: _____ DOLLARS

The SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY, a public entity, duly created and existing under and by virtue of the laws of the State of California (the "Successor Agency"), for value received hereby promises to pay to the Registered Owner stated above, or registered assigns (the "Registered Owner"), on the Maturity Date stated above, the Principal Sum stated above, in lawful money of the United States of America, and to pay interest thereon in like lawful money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond, unless (i) this Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date (the "Record Date"), in which event it shall bear interest from such Interest Payment Date, or (ii) this Bond is authenticated on or before February 15, 2027, in which event it shall bear interest from the Dated Date above; provided however, that if at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest has previously been paid or made available for payment on this Bond, until payment of such Principal Sum in full, at the Interest Rate per annum stated above, payable semiannually on March 1 and September 1 in each year, commencing March 1, 2027 (each an "Interest Payment Date"), calculated on the basis of 360-day year comprised of twelve 30-day months. Principal hereof is payable upon surrender of this Bond at the principal corporate trust office of U.S. Bank Trust Company, National Association, St. Paul, Minnesota, as trustee (the "Trustee"), or at such other place as designated by the Trustee (the "Corporate Trust Office"). Interest hereon (including the final interest payment upon maturity) is payable by check of the Trustee mailed by first class mail, postage prepaid, on the Interest Payment Date to the Registered Owner hereof at the Registered Owner's address as it appears on the registration books maintained by the Trustee as of the Record Date for which such Interest Payment Date occurs; provided however, that payment of interest may be by wire transfer to an account in the United States of America to any registered owner of Bonds in the aggregate principal amount of \$1,000,000 or more upon written instructions of any such registered owner filed with the Trustee for that purpose prior to the Record Date preceding the applicable Interest Payment Date.

This Bond is one of a duly authorized issue of bonds of the Successor Agency designated as "Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1)" (the "Bonds"), in an aggregate principal amount of \$_____, all of like tenor and date (except for such variation, if any, as may be required to designate varying series, numbers, maturities, interest rates, and other provisions) and all issued pursuant to the provisions of Section 34177.5 of the Health and Safety Code of the State of California and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law") and pursuant to an Indenture of Trust, dated as of November 1, 2026, entered into by and between the Successor Agency and the Trustee (the "Indenture"), authorizing the issuance of the Bonds. Reference is hereby made to the Indenture (copies of which are on file at the office of the Successor Agency) and all indentures supplemental thereto and to the Law (as defined in the Indenture) and the Refunding Law for a description of the terms on which the Bonds are issued, the provisions with regard to the nature and extent of the Tax Revenues (as that term is defined in the Indenture), and the rights thereunder of the registered owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the Successor Agency thereunder, to all of the provisions of which Indenture the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the Successor Agency for the purpose of providing funds to refund its 2015 Bonds (as defined in the Indenture) and to pay certain expenses of the Successor Agency in issuing the Bonds.

There has been created under the Law the Redevelopment Obligation Retirement Fund (as defined in the Indenture) into which Tax Revenues shall be deposited and from which the Successor Agency shall transfer amounts to the Trustee for payment, when due, of the principal of and the interest on the Bonds. As and to the extent set forth in the Indenture, all such Tax Revenues are exclusively and irrevocably pledged to and constitute a trust fund, in accordance with the terms hereof and the provisions of the Indenture and the Law, for the security and payment of the Bonds. In addition, the Bonds shall be additionally secured at all times by a first and exclusive pledge of, security interest in and lien upon all of the moneys in the Redevelopment Obligation Retirement Fund, the Debt Service Fund, the Interest Account, the Principal Account, and the Reserve Account (as such terms are defined in the Indenture). Except for the Tax Revenues and such moneys, no funds or properties of the Successor Agency shall be pledged to, or otherwise liable for, the payment of principal of or interest on the Bonds.

The Bonds are not subject to redemption prior to maturity.

If an Event of Default, as defined in the Indenture, shall occur, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

The Bonds are issuable as fully registered Bonds without coupons in denominations of \$5,000 and any integral multiple thereof. Subject to the limitations and conditions and upon payment of the charges, if any, as provided in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations and of the same maturity.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Corporate Trust Office of the Trustee, but only in the manner and subject to the limitations provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new fully registered Bond or Bonds, of any authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The Successor Agency and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Successor Agency and the Trustee shall not be affected by any notice to the contrary.

The rights and obligations of the Successor Agency and the registered owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Successor Agency to pay the principal and interest at the time and place and at the rate and in the currency provided herein of any Bond without the express written consent of the registered owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Successor Agency or the Trustee for registration of transfer, exchange, or payment, and any bond issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond is not a debt of the City of Milpitas, the State of California, or any of its political subdivisions, and neither said City, said State, nor any of its political subdivisions is liable hereon, nor in any event shall this Bond be payable out of any funds or properties other than those of the Successor Agency. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time and manner as required by the Law, the Refunding Law and the laws of the State of California, and that the amount of this Bond, together with all other indebtedness of the Successor Agency, does not exceed any limit prescribed by the Law, the Refunding Law or any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the Trustee's Certificate of Authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Successor Agency to the Former Milpitas Redevelopment Agency has caused this Bond to be executed in its name and on its behalf with the facsimile

signature of its Assistant Executive Director and attested its Secretary, as of the Dated Date set forth above.

SUCCESSOR AGENCY TO THE FORMER
MILPITAS REDEVELOPMENT AGENCY

By: _____
Chief Financial Officer/Treasurer

ATTEST:

Successor Agency Secretary

FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Authentication Date: _____

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Trustee

By: _____
Authorized Signatory

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or Tax Regulations:

TEN COM --	as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____
TEN ENT --	as tenants by the entireties	(Cust.) (Minor)
JT TEN --	as joint tenants with right of survivorship and not as tenants in common	under Uniform Gifts to Minors Act _____ (State)
COMM PROP --	as community property	

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE LIST ABOVE

(FORM OF ASSIGNMENT)

For value received the undersigned hereby sells, assigns and transfers unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within-registered Bond and hereby irrevocably constitute(s) and appoints(s) _____ attorney,
to transfer the same on the registration books of the Trustee with full power of substitution in the
premises.

Dated: _____

Signatures Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor.

Note: The signatures(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B
DEBT SERVICE PAYMENT SCHEDULE

Period Ending	Principal	Interest	Total Debt Service
3/1/27			
9/1/27			
3/1/28			
9/1/28			
3/1/29			
9/1/29			
3/1/30			
9/1/30			
3/1/31			
9/1/31			
3/1/32			
9/1/32			
Total			

§ _____
**SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BONDS
(REDEVELOPMENT PROJECT AREA NO. 1)**

BOND PURCHASE AGREEMENT

_____, 2026

Successor Agency to the
Former Milpitas Redevelopment Agency
455 East Calaveras Boulevard
Milpitas, California 95035

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) offers to enter into this Bond Purchase Agreement (this “Purchase Agreement”) with the Successor Agency to the Former Milpitas Redevelopment Agency (the “Agency”) which will be binding upon the Agency and the Underwriter upon the acceptance hereof by the Agency. This offer is made subject to its acceptance by the Agency by execution of this Purchase Agreement and its delivery to the Underwriter on or before 11:59 p.m., California time, on the date hereof, or at such other later time as the Underwriter shall agree to in writing. All terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Indenture (as hereinafter defined).

The Agency acknowledges and agrees that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm’s length commercial transaction between the Agency and the Underwriter; (ii) in connection with such transaction, the Underwriter is acting solely as principal and not as agent or a fiduciary of the Agency; (iii) the Underwriter has not assumed a fiduciary responsibility in favor of the Agency with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Agency on other matters); and (iv) the Agency has consulted with its own legal and financial advisors to the extent it has deemed appropriate.

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the Agency for offering to the public, and the Agency hereby agrees to sell to the Underwriter for such purpose, all (but not less than all) of the \$ _____ aggregate principal amount of the Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “Bonds”), at a purchase price equal to \$ _____ (being the aggregate principal amount thereof, less an Underwriter’s discount of \$ _____ and [plus/less] [net] an original issue [premium/discount] of \$ _____). In addition, on behalf of the Agency, from the purchase price of the Bonds, the Underwriter shall wire the amount of \$ _____ to the 2026 Reserve Insurer (defined below) to pay the costs of the premiums for the 2026 Reserve Policy (defined below). The Bonds are to be purchased by the

Underwriter from the Agency. Such payment and delivery and the other actions contemplated hereby to take place at the time of such payment and delivery are herein sometimes called the “Closing.”

2. The Bonds and Related Documents. The Bonds shall be substantially in the form described in, and shall be issued and secured under the provisions of, an Indenture of Trust, dated as of November 1, 2026, (the “Indenture”), by and between the Agency and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”). The Bonds will be issued pursuant to Part 1 of Division 24 of the California Health and Safety Code (the “Law”), Section 34177.5 of the California Health and Safety Code, and Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Act”) and a resolution of the Agency adopted on [September 1], 2026 (the “Agency Resolution”). The issuance of the Bonds was approved by the Redevelopment Dissolution Countywide Oversight Board of Santa Clara County (the “Oversight Board”) by a resolution adopted on [September 25], 2026 (the “Oversight Board Resolution”). The Bonds shall be as described in the Indenture and the Official Statement dated the date hereof relating to the Bonds (which, together with all exhibits and appendices included therein or attached thereto and such amendments or supplements thereto which shall be approved by the Underwriter, is hereinafter called the “Official Statement”).

A debt service reserve insurance policy (the “2026 Reserve Policy”) shall also be purchased from _____ (the “2026 Reserve Insurer”) for the Bonds.

The net proceeds of the Bonds will be used to refund in full the outstanding amount of the Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “2015 Bonds”).

When issued, the Bonds will be secured by a pledge of, security interest in and lien on the Tax Revenues (defined in the Indenture) and all of the moneys in certain funds and accounts established under the Indenture and moneys deposited in the Redevelopment Property Tax Trust Fund established pursuant to the Dissolution Act.

The Agency will undertake pursuant to the provisions of a Continuing Disclosure Certificate, to be dated the date of the Closing (the “Continuing Disclosure Certificate”) and executed by the Agency, to provide certain annual information and notices of the occurrence of certain enumerated events. A description of the undertaking is set forth in the Preliminary Official Statement (as defined below) and will also be set forth in the Official Statement.

As used herein, the term the “Agency Legal Documents” means and refers to this Purchase Agreement, the Indenture, the Continuing Disclosure Certificate, and the Irrevocable Refunding Instructions, dated as of the Closing Date, executed by the Agency and delivered to the Trustee, as trustee of the 2015 Bonds, providing for the refunding of the 2015 Bonds (the “2015 Bonds Refunding Instructions”).

3. Offering.

(a) It shall be a condition to the Agency’s obligations to sell and to deliver the Bonds to the Underwriter and to the Underwriter’s obligations to purchase, to accept delivery of and to pay for the Bonds that the entire aggregate principal amount of the Bonds shall be issued, sold and delivered by the Agency and purchased, accepted and paid for by the Underwriter at

the Closing. The Underwriter agrees to make a bona fide public offering of all of the Bonds at the initial public offering prices or yields set forth in Exhibit A hereto and on the inside front cover page of the Official Statement. The Underwriter reserves the right to change, subsequent to the initial public offering, such initial offering prices as it shall deem necessary in connection with the marketing of the Bonds.

(b) The Underwriter agrees to assist the Agency in establishing the issue price of the Bonds and shall execute and deliver to the Agency at Closing an “issue price” or similar certificate, together with copies of supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit C, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Agency and Bond Counsel (as defined below), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Agency under this section to establish the issue price of the Bonds may be taken on behalf of the Agency by the Agency’s municipal advisor, Fieldman, Rolapp & Associates, Inc. (the “Municipal Advisor”) and any notice or report to be provided to the Agency may be provided to the Agency’s Municipal Advisor.

(c) Except as otherwise set forth in Exhibit A attached hereto, the Agency will treat the first price at which 10% of each maturity of the Bonds (the “10% test”), identified under the column “10% Test Used” in Exhibit A, is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Agency the price or prices at which it has sold to the public each maturity of Bonds for which the 10% test is used. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Agency the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(d) The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column “Hold the Offering Price Used,” as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Agency and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Agency to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following.

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the Agency when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

(e) The Underwriter confirms that any selling group agreement and any retail distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such retail distribution agreement, as applicable, to: (1) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public; and (2) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter. The Agency acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on: (A) in the event that a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires; and (B) in the event that a retail distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the retail distribution agreement and the related pricing wires. The Agency further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the Agency (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(3) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date of execution of this Purchase Agreement by the Agency and the Underwriter.

4. Use and Preparation of Documents. The Agency has caused to be prepared and delivered to the Underwriter prior to the execution of this Purchase Agreement copies of the Preliminary Official Statement dated _____, 2026, relating to the Bonds (the “Preliminary Official Statement”), which was approved by the Agency Resolution. The Agency ratifies, confirms and approves the use by the Underwriter prior to the date hereof of the Preliminary Official Statement. The Agency has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12. The Agency hereby agrees to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, but not less than one (1) business day prior to Closing a sufficient number of copies of the final Official Statement relating to the Bonds, dated the date hereof, which includes all information permitted to be omitted by Rule 15c2-12 and any amendments or supplements to such Official Statement as have been approved by the Agency and the Underwriter (the “Official Statement”) to enable the Underwriter to distribute a single copy of each Official Statement to any potential customer of the Underwriter requesting an Official Statement during the time period beginning when the Official Statement becomes available and ending 25 days after the End of the Underwriting Period (defined below). The Agency hereby approves of the use and distribution (including the electronic distribution) by the Underwriter of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Bonds. The Agency shall have executed and delivered to the Underwriter a certification to such effect in the form attached hereto as Exhibit B. The Underwriter agrees that it will not confirm the sale of any Bonds unless the confirmation of sale is accompanied or preceded by the delivery of a copy of the Official Statement.

5. Representations, Warranties and Agreements of the Agency. The Agency hereby represents, warrants and agrees as follows:

(a) The Agency is a public entity existing under the laws of the State of California, including the Law.

(b) The Agency has full legal right, power and authority to enter into the Agency Legal Documents and carry out and consummate the transactions contemplated by the Agency Legal Documents.

(c) By all necessary official action of the Agency prior to or concurrently with the acceptance hereof, the Agency has duly authorized and approved the preparation and use of the Preliminary Official Statement and the Official Statement, the execution and delivery of the Official Statement and the Agency Legal Documents, and the performance by the Agency of all transactions contemplated by the Agency Legal Documents; and the Agency Legal Documents will constitute legal, valid and binding obligations of the Agency, enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally.

(d) The Agency is not in any material respect in breach of or default under any applicable constitutional provision, law or administrative regulation to which it is subject or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including, without limitation, the Indenture) or other instrument to which the Agency is a

party or to which the Agency or any of its property or assets is otherwise subject, and no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute such a default or event of default under any such instrument; and the execution and delivery of the Agency Legal Documents, and compliance with the provisions on the Agency's part contained therein, will not conflict with or constitute a material breach of or a material default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or to which the Agency or any of its property or assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Agency or under the terms of any such constitutional provision, law, regulation or instrument, except as provided by the Indenture.

(e) Except as described in or contemplated by the Official Statement, as of the date of the Closing, all authorizations, approvals, licenses, permits, consents and orders of any governmental authority, board, agency or commission having jurisdiction of the matter which are required for the due authorization by, or which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by, the Agency of its obligations under the Agency Legal Documents have been or will be duly obtained.

(f) Between the date of this Purchase Agreement and the date of the Closing, the Agency will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, payable from Tax Revenues (as defined in the Indenture), nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the Agency.

(g) To the best knowledge of the officer of the Agency executing this Purchase Agreement, after due inquiry, as of the date hereof, there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency, public board or body, pending or threatened against the Agency, affecting the existence of the Agency or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the execution and delivery of the Indenture or the collection of the Tax Revenues or contesting or affecting, as to the Agency, the validity or enforceability of the Agency Legal Documents or contesting the exclusion from gross income of interest on the Bonds for federal income tax purposes, or contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement, or contesting the powers of the Agency, or in any way contesting or challenging the consummation of the transactions contemplated hereby, or which might result in a material adverse change in the financial condition of the Agency or which might materially adversely affect the Tax Revenues of the Agency; nor, to the best knowledge of the officer of the Agency executing this Purchase Agreement, is there any known basis for any such action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity of the authorization, execution, delivery or performance by the Agency of the Agency Legal Documents.

(h) As of the time of acceptance hereof and as of the date of the Closing, the Agency does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Tax Revenues of the Agency superior to or on a parity with the lien provided for in the Indenture on the Tax Revenues, other than as disclosed in the Official Statement.

(i) As of the time of acceptance hereof and as of the date of the Closing, the Agency has or will have complied with the filing requirements of the Law, including, without limitation, the filing of all Recognized Obligation Payment Schedules, as required by the Law.

(j) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein in light of the circumstances under which they were made, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the 2026 Reserve Insurer or the 2026 Reserve Policy).

(k) As of the date thereof and at all times subsequent thereto to and including the date which is 25 days following the End of the Underwriting Period (as such term is hereinafter defined) for the Bonds, the Official Statement did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the 2026 Reserve Insurer or the 2026 Reserve Policy).

(l) If between the date hereof and the date which is 25 days after the End of the Underwriting Period for the Bonds, an event occurs which would cause the information contained in the Official Statement, as then supplemented or amended, to contain an untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make such information herein, in the light of the circumstances under which it was presented, not misleading, the Agency will notify the Underwriter, and, if in the opinion of the Underwriter or the Agency, or respective counsel, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Agency will cooperate in the preparation of an amendment or supplement to the Official Statement in a form and manner approved by the Underwriter, and shall pay all expenses thereby incurred. For the purposes of this subsection, between the date hereof and the date which is 25 days of the End of the Underwriting Period for the Bonds, the Agency will furnish such information with respect to itself as the Underwriter may from time to time reasonably request. As used herein, the term “End of the Underwriting Period” means the later of such time as: (i) the Agency delivers the Bonds to the Underwriter; or (ii) the Underwriter does not retain, directly or as members of an underwriting syndicate, an unsold balance of the Bonds for sale to the public. Notwithstanding the foregoing, unless the Underwriter gives notice to the contrary, the “End of the Underwriting Period” shall be the date of Closing.

(m) If the information contained in the Official Statement is amended or supplemented pursuant to paragraph (l) hereof, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such subparagraph) at all times subsequent thereto up to and including the date which is 25 days after the End of the Underwriting Period for the Bonds, the portions of the Official Statement so supplemented or amended (including any financial and statistical data contained therein) will not contain any untrue statement of a material fact required to be stated therein or necessary to make such information therein in the light of the circumstances under which it was presented, not misleading (except that this representation does not include information relating to The Depository Trust Company or the book-entry-only system, the 2026 Reserve Insurer or the 2026 Reserve Policy).

(n) After the Closing, the Agency will not participate in the issuance of any amendment of or supplement to the Official Statement to which, after being furnished with a copy, the Underwriter shall reasonably object in writing or which shall be disapproved by counsel for the Underwriter.

(o) Any certificate signed by any officer of the Agency and delivered to the Underwriter shall be deemed a representation by the Agency to the Underwriter as to the statements made therein.

(p) The Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Official Statement.

(q) The Agency has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Agency is not a bond issuer whose arbitrage certifications may not be relied upon.

(r) The Agency will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter, at the expense of the Underwriter, as it may reasonably request in order to qualify the Bonds for offer and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Underwriter may designate; provided, however, that the Agency will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with any such qualification in any jurisdiction.

(s) The Agency will refrain from taking any action with regard to which the Agency may exercise control that results in the inclusion in gross income for federal income tax purposes of the interest on the Bonds or State of California income tax purposes of the interest on the Bonds.

(t) Except as disclosed in the Official Statement, the Agency has not defaulted in any material respect under any prior continuing disclosure undertaking within the previous five years.

(u) The Oversight Board has duly adopted the Oversight Board Resolution approving the issuance of the Bonds and no further Oversight Board approval or consent is required for the issuing of the Bonds or the consummation of the transactions described in the Preliminary Official Statement.

(v) The Department of Finance of the State of California (the “Department of Finance”) has issued a letter, dated _____, 2026, approving the issuance of the Bonds (the “Department of Finance Letter”). No further Department of Finance approval or consent is required for the issuance of the Bonds or the consummation of the transactions described in the Preliminary Official Statement. Except as disclosed in the Preliminary Official Statement, the Agency is not aware of the Department of Finance directing or having any basis to direct the County Auditor-Controller to deduct unpaid unencumbered funds from future allocations of property tax to the Agency pursuant to Section 34183 of the Dissolution Act.

6. Closing. At 8:00 A.M., California time, on _____, 2026 (the “Closing Date”), or on such other date as may be mutually agreed upon by the Agency and the Underwriter,

the Agency will, subject to the terms and conditions hereof, sell and deliver the Bonds to the Underwriter, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds. Sale, delivery and payment as aforesaid shall be made at the offices of Jones Hall, LLP, San Mateo, California ("Bond Counsel"), or such other place as shall have been mutually agreed upon by the Agency and the Underwriter, except that the Bonds (with one certificate for each maturity and otherwise in a form suitable for the book-entry system) shall be delivered to the Underwriter in New York, New York, through the book-entry system of The Depository Trust Company ("DTC"). Unless the DTC Fast Automated Securities Transfer ("FAST") is utilized, the Bonds will be made available for inspection by DTC at least one business day prior to the Closing.

7. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the Agency contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Agency of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Agency of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The Underwriter shall receive, within seven (7) business days of the date hereof, but in no event less than 1 day prior to Closing, copies of the Official Statement (including all information previously permitted to have been omitted from the Preliminary Official Statement by Rule 15c2-12 and any amendments or supplements as have been approved by the Underwriter), in such reasonable quantity as the Underwriter shall have requested;

(b) The representations and warranties of the Agency contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing and the statements of the officers and other officials of the Agency and the Trustee made in any certificate or other document furnished pursuant to the provisions hereof are accurate;

(c) At the time of the Closing, the Agency Legal Documents shall have been duly authorized, executed and delivered by the respective parties thereto, and the Official Statement shall have been duly authorized, executed and delivered by the Agency, all in substantially the forms heretofore submitted to the Underwriter, with only such changes as shall have been agreed to in writing by the Underwriter, and shall be in full force and effect; and there shall be in full force and effect such resolution or resolutions of the governing body of the Agency as, in the opinion of Bond Counsel, shall be necessary or appropriate in connection with the transactions contemplated hereby;

(d) At the time of the Closing, all necessary official action of the Agency relating to the Official Statement and the Agency Legal Documents shall have been taken and shall be in full force and effect and shall not have been amended, modified or supplemented in any material respect;

(e) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(1) Bond Counsel Opinion. The approving opinion of Bond Counsel to the Agency, dated the date of the Closing and substantially in the form included as Appendix C to the Official Statement;

(2) Supplemental Opinion of Bond Counsel. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing, stating that the Underwriter may rely on the opinions of Bond Counsel described in paragraph (1) above as if such opinions were addressed to the Underwriter and to the following effect:

(i) the Purchase Agreement and the 2015 Bonds Refunding Instructions have been duly executed and delivered by the Agency and (assuming due authorization, execution and delivery by and validity against the other parties thereto, as applicable) constitute the valid and binding agreements of the Agency, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles;

(ii) the statements contained in the Official Statement under the captions "INTRODUCTION," "THE BONDS," "REFUNDING PLAN," "SECURITY FOR THE BONDS," "TAX MATTERS," and in Appendices C and F, insofar as such statements expressly summarize certain provisions of the Indenture or the opinion of Bond Counsel, are accurate in all material respects; and

(iii) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

(3) Fiscal Consultant's Certificate. A certificate of Keyser Marston Associates, Inc. (the "Fiscal Consultant"), dated the date of the Closing, addressed to the Agency and the Underwriter, in form and substance acceptable to the Underwriter, (i) certifying as to the accuracy of (A) the information contained in APPENDIX A—"FISCAL CONSULTANT'S REPORT," and the information in the Official Statement under the captions "THE PROJECT AREA" and "SECURITY FOR THE BONDS—No Negotiated Pass-Through Agreements" and "—Statutory Pass-Through Payments," (ii) consenting to the inclusion of such firm's Fiscal Consultant's Report in the Preliminary Official Statement and the Official Statement, and (iii) stating that, to the best of such firm's knowledge, but without having conducted any investigation with respect thereto, nothing has come to such firm's attention between the date of such report and the date hereof which would materially alter any of the conclusions set forth in such report.

(4) Agency Counsel Opinion. An opinion of the City Attorney of the City of Milpitas (the "City"), as Counsel to the Agency, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter to the following effect:

(i) the Agency is a public entity duly organized and existing under the Constitution and laws of the State, with full right, power and authority to execute, deliver and perform its obligations under the Agency Legal Documents;

(ii) the Agency Resolution was duly adopted at meetings of the Agency, called and held pursuant to law, with all public notice required by law and at which a quorum was present and acting throughout; and the Agency Resolution is in full force and effect and has not been modified, amended or rescinded since its adoption;

(iii) The Agency Legal Documents and the Official Statement have been duly authorized, executed and delivered by the Agency and, assuming due authorization, execution and delivery by the other parties thereto, the Agency Legal Documents constitute the valid, legal and binding obligations of the Agency enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors rights and by the application of equitable principles if equitable remedies are sought;

(iv) The execution and delivery of the Agency Legal Documents and compliance with the provisions of the Agency Legal Documents, under the circumstances contemplated thereby, (1) do not and will not in any material respect conflict with or constitute on the part of the Agency a breach of or default under any agreement or other instrument to which the Agency is a party or by which it is bound, and (2) do not and will not in any material respect constitute on the part of the Agency a violation, breach of or default under any existing law, regulation, court order or consent decree to which the Agency is subject;

(v) to the best of such counsel's knowledge, except as otherwise disclosed in the Official Statement, there is no litigation or proceeding, pending and served, or threatened against the Agency for which it has received service, challenging the creation, organization or existence of the Agency, or the validity of the Bonds or the Agency Legal Documents or seeking to restrain or enjoin any of the transactions referred to therein or contemplated thereby, or under which a determination adverse to the Agency would have a material adverse effect upon the financial condition or the revenues of the Agency, or which, in any manner, questions the right of the Agency to issue, sell and deliver the Bonds, to enter into the Indenture and the 2015 Bonds Refunding Instructions or to use the Tax Revenues for repayment of the Bonds or affects in any manner the right or ability of the Agency to collect or pledge the Tax Revenues; and

(5) Trustee Counsel Opinion. The opinion of counsel to the Trustee, dated the date of the Closing, addressed to the Underwriter, to the effect that:

(i) The Trustee is a national banking association, duly organized and validly existing under the laws of the United States of America, having full power to enter into, accept and administer the trusts created under the Indenture and the 2015 Bonds Refunding Instructions;

(ii) The Indenture and the 2015 Bonds Refunding Instructions have been duly authorized, executed and delivered by the Trustee and the Indenture and the 2015 Bonds Refunding Instructions constitute the legal, valid and binding obligation of the Trustee, enforceable in accordance with their respective terms, except as enforcement thereof may be

limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(iii) the Bonds have been validly authenticated, registered and delivered by the Trustee;

(iv) no authorization, approval, consent or other order of the State of California or any other federal or State of California governmental authority or agency having jurisdiction over the Trustee, or, to such counsel's knowledge after reasonable investigation, any other person or corporation, is required for the valid authorization, execution, delivery and performance by the Trustee of the Indenture and the 2015 Bonds Refunding Instructions; and

(v) Except as may be required under Blue Sky or other securities laws of any state, no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the Trustee that has not been obtained is or will be required for the execution and delivery of the Indenture or the 2015 Bonds Refunding Instructions, or the consummation of the transactions contemplated by the Indenture and the 2015 Bonds Refunding Instructions.

(6) Agency Certificate. A certificate of the Agency, dated the date of the Closing, signed on behalf of the Agency by a duly authorized officer of the Agency, to the effect that:

(i) the representations and warranties of the Agency contained herein are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing;

(ii) no event affecting the Agency has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and

(iii) no further consent is required to be obtained for the inclusion of the Agency's audited financial statements, including the accompanying accountant's letter for the fiscal year ended June 30, 2025 in the Preliminary Official Statement and the Official Statement.

(iv) the Agency is not, in any material respect, in breach of or default under any applicable law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Agency is a party or is otherwise subject, which would have a material adverse impact on the Agency's ability to perform its obligations under the Agency Legal Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument.

(7) Trustee's Certificate. A certificate, dated the date of Closing, to the effect that:

(i) the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America;

(ii) the Trustee has full power, authority and legal right to comply with the terms of the Indenture and the 2015 Bonds Refunding Instructions and to perform its obligations stated therein; and

(iii) the Indenture and the 2015 Bonds Refunding Instructions have been duly authorized, executed and delivered by the Trustee and (assuming due authorization, execution and delivery by the Agency) constitute legal, valid and binding obligations of the Trustee in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

(8) Legal Documents. Executed copies of this Purchase Agreement, the Official Statement, and the other Agency Legal Documents.

(9) Rating Letter. A letter from S&P Global Ratings ("S&P") to the effect that the Bonds have been assigned a rating of "___", which rating shall be in effect as of the Closing Date.

(10) Agency Resolution. A copy of the Agency Resolution.

(11) Oversight Board Resolution. A copy of the Oversight Board Resolution.

(12) Department of Finance Letter. A copy of the Department of Finance Letter.

(13) Agency Board Certificate. A certificate of the Clerk of the Agency to the effect that the Agency Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(14) Oversight Board Certificate. A certificate of the Clerk of the Oversight Board to the effect that the Oversight Board Resolution was validly adopted, remains in full force and effect, and has not been amended, rescinded or otherwise modified since its date of adoption.

(15) Defeasance Opinions. An opinion or opinions of Bond Counsel with respect to the defeasance of the 2015 Bonds.

(16) 2026 Reserve Policy. The executed 2026 Reserve Policy issued by the 2026 Reserve Insurer.

(17) 2026 Reserve Insurer Counsel Opinion. An opinion of counsel to the 2026 Reserve Insurer, dated as of the Closing Date, addressed to the Underwriter and the Agency in form and substance acceptable to the Underwriter, substantially to the effect that: (i) the 2026 Reserve Insurer has been duly incorporated and is validly existing and in good standing under the laws of the State of its incorporation; and (ii) the 2026 Reserve Policy constitutes a legal, valid and binding obligation of the 2026 Reserve Insurer enforceable in accordance with its terms,

subject, as to enforcement, to bankruptcy, insolvency, reorganization, rehabilitation and other similar laws of general applicability relating to or affecting creditors' and/or claimants' rights against insurance companies and to general equity principles.

(18) Additional Documents. Such additional certificates, instruments and other documents as Bond Counsel, the Agency or the Underwriter may reasonably deem necessary.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter.

If the Agency or the Trustee shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Agreement, if the Agency shall determine in good faith (and provide written notice to the Underwriter) that legislation has been introduced or proposals made by the Governor of the State which if enacted and effective would impose additional limitations or burdens on the Agency or the City by reason of the issuance of the Bonds or which purport to prohibit the issuance of the Bonds, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriter shall be under no further obligation hereunder.

8. Termination. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by notification to the Agency if at any time between the date hereof and prior to the Closing:

(a) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading; or

(b) the marketability of the Bonds or the market price thereof, in the opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any Federal or State court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Agency, or the interest on bonds or notes or obligations of the general character of the Bonds; or

(c) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(d) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(e) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to trade the Bonds; or

(f) a general banking moratorium shall have been established by federal or State authorities; or

(g) the United States has become engaged in hostilities which have resulted in a declaration of war or a national emergency or there has occurred any other outbreak of hostilities or a national or international calamity or crisis, or there has occurred any escalation of existing hostilities, calamity or crisis, financial or otherwise, the effect of which on the financial markets of the United States being such as, in the reasonable opinion of the Underwriter, would affect materially and adversely the ability of the Underwriter to market the Bonds; or

(h) any rating of the Bonds shall have been downgraded, suspended or withdrawn by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(i) the commencement of any action, suit or proceeding described in Section 5(g) hereof which, in the judgment of the Underwriter, materially adversely affects the market price of the Bonds; or

(j) there shall be in force a general suspension of trading on the New York Stock Exchange.

9. Expenses. The Agency will pay or cause to be paid the approved expenses incident to the performance of its obligations hereunder and certain expenses relating to the sale of the Bonds, including, but not limited to, (a) the cost of the preparation and printing or other reproduction of the Agency Legal Documents (other than this Purchase Agreement); (b) the fees and disbursements of Bond Counsel, the Municipal Advisor, Fiscal Consultant and any other experts or

other consultants retained by the Agency; (c) the costs and fees of the credit rating agencies; (d) the cost of preparing and delivering the definitive Bonds; (e) the cost of providing immediately available funds on the Closing Date; (f) the cost of the printing or other reproduction of the Preliminary Official Statement and Official Statement and any amendment or supplement thereto, including a reasonable number of certified or conformed copies thereof; (g) the Underwriter's out-of-pocket expenses incurred with the financing; (h) the fees of a third party consultant for a continuing disclosure undertaking compliance review; and (i) expenses (included in the expense component of the spread) incurred on behalf of the City's or the Agency's employees which are incidental to implementing this Purchase Agreement. The Underwriter will pay the expenses of the preparation of this Purchase Agreement and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds, and the fee and disbursements of Underwriter's Counsel. The Underwriter is required to pay the fees of the California Debt and Investment Advisory Commission in connection with the offering of the Bonds. The Agency acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider such fees. Notwithstanding that such fees are solely the legal obligation of the Underwriter, the Agency agrees to reimburse the Underwriter for such fees.

The Underwriter shall pay, and the Agency shall be under no obligation to pay, all expenses incurred by the Underwriter in connection with the public offering and distribution of the Bonds.

10. Notices. Any notice or other communication to be given to the Agency under this Purchase Agreement may be given by delivering the same in writing at the Agency's address set forth above; Attention: Executive Director with a copy to City's Finance Director, and to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, One Montgomery Street, 35th Floor, San Francisco, California 94104, Attention: Eileen Gallagher, Managing Director.

11. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Agency and the Underwriter and no other person shall acquire or have any right hereunder or by virtue hereof. All of the representations, warranties and agreements of the Agency contained in this Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) delivery of and payment for the Bonds pursuant to this Purchase Agreement; and (iii) any termination of this Purchase Agreement.

12. Effectiveness and Counterpart Signatures. This Purchase Agreement shall become effective upon the execution of the acceptance by an authorized officer of the Agency and shall be valid and enforceable at the time of such acceptance and approval. This Purchase Agreement may be executed by the parties hereto by facsimile transmission and in separate counterparts, each of which when so executed and delivered (including delivery by facsimile transmission) shall be an original, but all such counterparts shall together constitute but one and the same instrument.

13. Headings. The headings of the sections of this Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

14. Governing Law. This Purchase Agreement shall be construed in accordance with the laws of the State of California.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____
Its: Managing Director

Accepted:

SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY

By: _____
Chief Financial Officer/Treasurer

Time: _____ p.m.

APPROVED AS TO FORM

Christian M. Curtis
Agency General Counsel

EXHIBIT A

\$ _____
SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BONDS
(REDEVELOPMENT PROJECT AREA NO. 1)

MATURITY SCHEDULE

<i>Maturity Date (September 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Price</i>	<i>10% Test Used</i>	<i>Hold the Offering Price Used</i>
2027					
2028					
2029					
2030					
2031					
2032					

REDEMPTION PROVISIONS

No Redemption of Bonds. The Bonds are not subject to redemption prior to their stated maturity dates.

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

\$ _____
**SUCCESSOR AGENCY TO THE
FORMER MILPITAS REDEVELOPMENT AGENCY
2026 TAX ALLOCATION REFUNDING BONDS
(REDEVELOPMENT PROJECT AREA NO. 1)**

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (“Stifel”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Stifel offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated _____, 2026, by and between Stifel and the Issuer, Stifel has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2026), or (ii) the date on which Stifel has sold at least 10% of such

Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Issuer* means the Successor Agency to the Former Milpitas Redevelopment Agency.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2026.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Jones Hall LLP, in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By:_____

Name:_____

By:_____

Name:_____

Dated: _____, 2026

SCHEDULE A

**SALE PRICES OF THE GENERAL RULE MATURITIES AND INITIAL OFFERING
PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES**

(Attached)

SCHEDULE B
PRICING WIRE OR EQUIVALENT COMMUNICATION
(Attached)

EXHIBIT C

RULE 15c2-12 CERTIFICATE

The undersigned hereby certifies and represents to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) that he is a duly appointed and acting officer of the Successor Agency to the Former Milpitas Redevelopment Agency, authorized to execute this Certificate, and as such is to execute and deliver this Certificate and further hereby certify and reconfirm on behalf of the Agency to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) in connection with the offering and sale of the Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “Bonds”).

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated as of _____, 2026, setting forth information concerning the Bonds and the Agency, as issuer of the Bonds (the “Preliminary Official Statement”).

(3) As used herein, “Permitted Omissions” shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

(5) If, at any time prior to the execution of the final contract of purchase, any event occurs as a result of which the Preliminary Official Statement might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Agency shall promptly notify the Underwriter thereof.

IN WITNESS WHEREOF, I have hereunto set my hand as of the ____ day of ____, 2026.

SUCCESSOR AGENCY TO THE FORMER
MILPITAS REDEVELOPMENT AGENCY

By: _____
Chief Financial Officer/Treasurer

IRREVOCABLE REFUNDING INSTRUCTIONS

Relating to:

**Successor Agency to the Former Milpitas Redevelopment Agency
Redevelopment Project Area No. 1
2015 Tax Allocation Refunding Bonds**

These IRREVOCABLE REFUNDING INSTRUCTIONS (these “Instructions”), dated as of November __, 2026, are given as of such date by the SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY, a public entity existing under the laws of the State of California (the “Successor Agency”), to U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as trustee for the hereinafter-defined Prior Bonds (the “Prior Trustee”);

W I T N E S S E T H :

WHEREAS, the Successor Agency has previously issued its \$127,790,000 aggregate principal amount of Successor Agency to the Former Milpitas Redevelopment Agency 2015 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “2015 Bonds”) to provide funds to refund bonds issued by the Former Agency in 2003; and

WHEREAS, The Prior Bonds are subject to redemption, at the option of the Successor Agency on any date, as a whole or in part at a redemption price equal to the principal amount of the Prior Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium; and

WHEREAS, the Successor Agency has determined that it is in its best financial interests at this time to refund the currently outstanding Prior Bonds; and

WHEREAS, to provide funds for such purpose, the Successor Agency is issuing its 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the “2026 Bonds”) pursuant to an Indenture, dated as of November 1, 2026 (the “2026 Indenture”) between the Successor Agency and U.S. Bank Trust Company National Association, as trustee (the “2026 Trustee”), and applying a portion of the proceeds thereof, together with certain other legally available moneys, if any, to redeem the outstanding Prior Bonds on _____, 2026 (the “Redemption Date”); and

WHEREAS, the Successor Agency wishes to give these Instructions to the Prior Trustee for the purpose of providing the terms and conditions relating to the deposit and application of moneys and securities to provide for the payment and redemption of all of the outstanding Prior Bonds pursuant to Section 9.03(c) of the Prior Indenture.

NOW, THEREFORE, the Successor Agency hereby irrevocably instructs the Prior Trustee as follows:

Section 1. Redemption Account. Pursuant to Section 4.03(e) of the Prior Indenture, there has heretofore been established an account held by the Prior Trustee known as the “Redemption Account.” All cash and securities deposited in the Redemption Account pursuant to these Instructions are hereby irrevocably pledged as a special trust fund for the redemption of

the remaining Prior Bonds on the Redemption Date, in accordance with the Prior Indenture. The Prior Trustee shall have no lien upon or right of set off against the securities and cash at any time on deposit in the Redemption Account, and such amounts shall be applied only as provided herein.

Section 2. Deposit into Redemption Account; Investment of Amounts.

Concurrently with delivery of the 2026 Bonds, the Successor Agency shall cause to be transferred to the Prior Trustee the amount of \$_____ in immediately available funds to be derived from a portion of the proceeds of sale of the 2026 Bonds, which amount the Prior Trustee shall immediately deposit into the Redemption Account. Amounts on deposit in the Redemption Account shall be held uninvested. The Successor Agency signifies that by making the deposit described herein, it is defeasing and discharging the Prior Bonds pursuant to Section 9.03 of the Prior Indenture.

Section 3. Proceedings for Redemption of Prior Bonds. The Successor Agency hereby irrevocably elects, and directs the Prior Trustee, to redeem, on the Redemption Date the outstanding Prior Bonds. The Trustee acknowledges that notice of such redemption has heretofore been given by the Prior Trustee in accordance with the Prior Indenture.

Section 4. Application of Funds to Redeem Prior Bonds. The Prior Trustee shall redeem the remaining outstanding Prior Bonds on the Redemption Date at a price equal to 100% of the principal amount thereof plus accrued and unpaid interest thereon.

In connection with the defeasance and optional redemption of the Prior Bonds, the Successor Agency hereby directs the Trustee to file a notice of defeasance for the Prior Bonds with the Municipal Securities Rulemaking Board's EMMA System, in substantially the form set forth on Exhibit A hereto.

Section 5. Transfer of Remaining Funds. Following the payment and redemption of the Prior Bonds on the Redemption Date, the Prior Trustee shall withdraw any amounts remaining on deposit in the Redemption Account and transfer such amounts to the 2026 Trustee for deposit into the Debt Service Fund established under the 2026 Indenture to be used to pay interest on the 2026 Bonds.

Section 6. Amendment. These Instructions shall be irrevocable by the Successor Agency. These Instructions may be amended or supplemented by the Successor Agency, but only if the Successor Agency shall file with the Prior Trustee and the 2026 Trustee a certification of an independent accountant or independent financial adviser engaged by the Successor Agency stating that such amendment or supplement will not affect the sufficiency of funds held hereunder to make the payments required by Section 4.

Section 7. Governing Law. These Instructions shall be construed in accordance with and governed by the laws of the State of California.

**SUCCESSOR AGENCY TO THE FORMER
MILPITAS REDEVELOPMENT AGENCY**

By _____
Chief Financial Officer/Treasurer

APPROVED AS TO FORM:

Christian M. Curtis
City Attorney/General Counsel

ACCEPTED:

**U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Prior Trustee**

By _____
Authorized Officer

EXHIBIT A

NOTICE OF DEFEASANCE

**Successor Agency to the Former Milpitas Redevelopment Agency
Redevelopment Project Area No. 1
2015 Tax Allocation Refunding Bonds**

Maturity Date (September 1)	Outstanding Principal Amount	Interest Rate	CUSIP* (Base:601649)
2027	\$9,950,000	5.000	AN6
2028	6,255,000	5.000	AP1
2029	6,565,000	5.000	AQ9
2030	6,895,000	5.000	AR7
2031	3,755,000	5.000	AS5
2032	3,940,000	5.000	AT3

**Note: The Successor Agency and Trustee shall not be responsible for the selection or use of the CUSIP numbers selected, nor is any representation made as to their correctness indicated in the notice or as printed on any Bonds. They are included solely for the convenience of the holders.*

NOTICE IS HEREBY GIVEN that all of the bonds listed above (the "Bonds") have been defeased and discharged under and within the meaning of an Indenture of Trust, dated as of March 1, 2015 (the "Indenture of Trust"), by and between the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency"), as successor to the former Milpitas Redevelopment Agency (the "Former Agency") and U.S. Bank Trust Company, National Association, as successor trustee for the Bonds (the "Trustee"). Funds for the payment of the Bonds have been deposited in the Redemption Fund held by the Trustee for the purpose of defeasing and optionally redeeming the Bonds. As a consequence of the foregoing actions and in accordance with the Indenture of Trust, (i) the Bonds are no longer secured by a pledge of revenues under the Indenture of Trust, (ii) the Bonds are now payable solely from the moneys set aside in the Redemption Fund held by the Trustee as described above, and (iii) all obligations of the Successor Agency, as successor to the Former Agency, under the Continuing Disclosure Certificate relating to the Bonds, dated as of March 18, 2015, have ceased and terminated.

Dated: _____, 2026

**U.S. Bank Trust Company, National
Association, as Trustee**

MEMORANDUM

Date: August 12, 2026

To: Redevelopment Dissolution Countywide Oversight Board for Santa Clara County

Re: **Successor Agency to the Former Milpitas Redevelopment Agency
2026 Tax Allocation Refunding Bonds
(Redevelopment Project Area No. 1)**

The Successor Agency to the Former Milpitas Redevelopment Agency ("Successor Agency") desires to achieve debt service savings and to assist the local taxing entities by refunding all of its 2015 Tax Allocation Refunding Bonds ("Prior Bonds") by issuing Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) ("Refunding Bonds"), pursuant to California Health and Safety Code ("HSC") section 34177.5, subdivision (a).

The proposed refunding of the Prior Bonds by the Successor Agency satisfies the applicable HSC sections:

(A) The total interest cost to maturity on the proposed Refunding Bonds plus the principal amount of the Refunding Bonds does not exceed the total remaining interest cost to maturity on the Prior Bonds to be refunded plus the remaining principal of the Prior Bonds to be refunded.

(B) The \$36,455,000 in principal amount of the Refunding Bonds does not exceed the amount required to defease the Prior Bonds, to establish customary debt service reserves, and to pay related costs of issuance.

As required by the HSC Section 34177.5(h), the Successor Agency's municipal advisor, Fieldman, Rolapp & Associates, Inc., prepared the debt service savings analysis ("Debt Service Savings Analysis"), summarizing the potential savings that will accrue to the Successor Agency and applicable taxing entities. The Debt Service Savings Analysis also takes into consideration legal matters pertaining to the Successor Agency indebtedness including potential tax and timing issues.

Enclosed is the Debt Service Savings Analysis submitted to the oversight board for approval, provided to you pursuant to the applicable HSC section.

Debt Service Savings Analysis

Successor Agency to the Former Milpitas Redevelopment Agency 2026 Tax Allocation Refunding Bonds (Redevelopment Project No. 1) Current Refunding of 2015 TABs

	Total Assumes 'AA' Underlying ⁽¹⁾⁽²⁾
Refunding Bond Amount	\$36,455,000.00
Par Refunded	\$37,360,000.00
Final Maturity	9/1/2032
Average Coupon of Refunded Bonds	5.00%
Average Coupon of Refunding Bonds	5.00%
True Interest Cost (effective rate)	3.15%
Net Present Value Savings (\$)	1,352,582.21
Present Value Savings (%)	3.62%
Nominal Savings (\$)	1,473,429.17
Average Annual Savings (\$) ⁽³⁾	245,571.53
<u>Taxing Entities Share of Average Annual Savings:</u>	
Milpitas Unified School District	\$90,617.69
City of Milpitas	40,029.03
Santa Clara County (General Fund)	34,530.46
ERAF K-12	31,098.03
San Jose-Evergreen Community College District	15,996.55
Santa Clara County Office of Education	7,751.47
Santa Clara County Library	6,315.03
ERAF College	5,178.93
Berryessa Union Elementary School District	4,806.96
SCV Water District East 1	4,166.14
East Side Union High School District	2,718.39
SCVWD State Water Project	1,198.35
Bay Area Air Quality Management District	453.37
Santa Clara Valley Water District	402.28
SCV Water District Zone W-4	308.85
Total	\$245,571.53

(1) Preliminary cash flows. Closing Date of 11/19/26; Market Conditions as of 8/11/2026

(2) Refunding assumes Surety at 1.75%

(3) Average Annual Savings for each series are calculated as "Nominal Savings beginning in 9/1/27 divided by number of years with principal outstanding for each series".

May 19, 2026

VIA EMAIL

City of Milpitas City Council
455 East Calaveras Boulevard
Milpitas, CA 95035

Re: Comments on Urgency Ordinance to Create TOD Overlay Zone

Mayor Montano and Members of the City Council:

We represent Timber Soma MC LP (“Soma”) with respect to a proposed 644-unit residential project (“Project”) at 1011 and 1033 McCarthy Boulevard and 915, 933, and 1001 Murphy Ranch Road in the City of Milpitas (“Property”). On behalf of Soma, we urge the Council not to approve the TOD Overlay Zoning District urgency ordinance on the agenda this evening unless significant modifications are made. The currently proposed Ordinance is inconsistent with State law.

SB 79 was signed into law by Governor Newsom in October 2025 and it goes into effect on July 1, 2026. Its purpose is to increase housing production near major transit stops throughout the State. SB 79 allows a local government to enact an ordinance to create consistency between its zoning code and SB 79, *subject to review by HCD*. (Gov. Code, § 65912.160 (c)(1).) The ordinance may include objective development standards as long as those standards “are demonstrated by a preponderance of evidence to not physically preclude, alone or in concert, the applicable housing development standards” of SB 79 (Gov. Code, § 65912.157, emphasis added). (*Id.*) One of the explicit development standards in SB 79 is a minimum density of 30 dwelling units per acre, unless the applicable local zoning has a higher minimum density. (Gov. Code, § 65912.157(a)(1)(A).) The Project complies with SB 79 at a density of 30 dwelling units per acre. As discussed below, the urgency Ordinance would function to preclude development that would otherwise qualify for and elect to utilize SB 79. In other words, **the proposed development standards in the urgency Ordinance would physically preclude the very projects that the Legislature authorized by adopting SB 79.**

The Ordinance before you this evening establishes a minimum density of 50 dwelling units per acre for properties within ½ mile of a Tier 2 TOD stop and 60 dwelling units per acre for properties adjacent to (within 200 feet of) a Tier 1 or Tier 2 TOD stop, within ¼ mile of a Tier 1 or Tier 2 TOD stop, or within ½ mile of a Tier 1 TOD stop. These standards are inherently inconsistent with the minimum density established by SB 79. By its own terms, the urgency Ordinance would physically preclude a housing development consistent with SB 79 at a density of 30 dwelling units per acre. Further, Soma can attest that the standards in the Ordinance would

physically preclude the Project,¹ which would not pencil at a minimum density of over 30 du/acre, particularly with a maximum FAR of 2.5 as the Ordinance proposes. The State Legislature carefully selected a minimum density of 30 du/ac to both encourage density and facilitate feasible developable projects. Given current financing and construction costs, a project at 50 and 60 du/ac is not feasible because it precludes products like townhomes. In other words, the combination of the proposed standards would make it impossible to build the Project and others like it.

Indeed, it appears that the City's intent in adopting the urgency Ordinance is to prevent SB 79-compliant projects. (Planning Commission April 8, 2026 Staff Report, Page 1 ["the City by doing so does not signal its agreement with the Legislature's adoption of this law or the erosion thereby of thoughtful local planning and control"].) The increase in proposed minimum density of 10 du/ac between the Planning Commission meeting and the Council meeting makes it *even less* feasible to develop residential projects and shows, in our view, the City's clear intent to *avoid* SB 79, not to comply with it. Adoption of an alleged SB 79 consistency Ordinance to effectively prohibit projects like the Project that would elect to use SB 79 and would qualify for SB 79, is contrary to SB 79 itself and other State housing laws. The stated goal of SB 79 is to *increase* housing near transit, not prohibit it.

In addition, the urgency Ordinance before you this evening is inconsistent with the General Plan and other City planning regulations. For example, the Staff Report says that the urgency Ordinance is consistent with General Plan Policy LU2-3 because that General Plan Policy allows density to exceed generally allowed ranges defined by the underlying land use for projects utilizing State Density Bonus Law. SB 79 specifically contemplates and allows projects that do not utilize State Density Bonus Law. Exceeding the allowable General Plan densities through an urgency Ordinance that exceeds densities allowed by SB 79 and Density Bonus Law is therefore *inconsistent* with General Plan Policy LU2-3.

If the City wants to upzone the property contemplated in the urgency Ordinance, it must follow the proper procedures, including conducting adequate CEQA review. It cannot rely on an urgency Ordinance and a CEQA exemption for ordinances consistent with SB 79 to adopt a zoning program intended to create *significantly* more development than is permitted by SB 79.

Finally, we object to the City's adoption of the proposed Ordinance as an urgency Ordinance. An urgency Ordinance must be "for the immediate preservation of the public peace, health or safety" (i.e., a current and immediate threat). (Gov. Code, § 36937; Gov. Code, § 65858.) An urgency Ordinance specifically must contain facts that reasonably establish an urgency. (*California Charter Schools Assn. v. City of Huntington Park* (2019) 35 Cal.App.5th 362; *Building Industry Legal Defense Foundation v. Superior Court* (1999) 72 Cal.App.4th 1410.) There is nothing about the general City concern of SB 79 going into effect on July 1 that

¹ The Project is provided by way of example of the kind of development that would not pencil if it were subject to the proposed urgency Ordinance only. As noted below, the Project is vested under SB 330 and will not be subject to the urgency Ordinance, if adopted.

creates a current and immediate public peace, health, or safety issue for the City. The Ordinance itself fails to establish any adequate urgent public peace, health, or safety issue. The purported urgency in the Ordinance – to maintain local control and prohibit projects that comply with SB 79’s development standards – is not reasonably urgent. The courts have consistently held that similar purported reasons do not constitute immediate threats to public peace, health, or safety. (See *Hoffman Street, LLC v. City of West Hollywood* (2009) 179 Cal.App.4th 754.)

Given the points above, we believe HCD will not find the urgency Ordinance to be consistent with SB 79. The City’s Staff Report states that HCD did not provide feedback within 14 days of the draft urgency Ordinance being submitted. Lack of feedback from HCD to date is in no way evidence that HCD agrees with the City’s position. HCD has 90 days after adoption of the urgency Ordinance to make a determination.

As a final note, a complete SB 330 Preliminary Application was submitted for the Project. The Preliminary Application vested the local regulations in place when it was submitted. (Gov. Code, § 65589.5(o).) In other words, the Project will not be subject to the urgency Ordinance if it is adopted tonight. In response to the Preliminary Application’s submittal, the City stated a position that a Preliminary Application cannot be submitted for a project that requires a General Plan Amendment and Zone Change and we strongly disagree with that position. There is no legal authority for it and none has been cited by the City.

In sum, if the City approves the urgency Ordinance as recommend by staff, it will violate both procedural and substantive (i.e., Planning & Zoning Law and CEQA) requirements. Below is a summary of why we believe the City’s intent is to preclude, not comply with, SB 79, and why the urgency Ordinance is improper:

- The urgency Ordinance states a purported intent to implement SB 79 but would actually preclude housing projects that comply with SB 79’s development standards. The urgency Ordinance would make SB 79 projects impossible to implement given the minimum density and maximum FAR.
- The City’s urgency in approving the Ordinance is to maintain local control and avoid SB 79 compliant projects, which does not meet the standards for an urgency Ordinance.
- The City stated in the Planning Commission Staff Report that it disagrees with the Legislature’s “erosion” of local control, which signals that the City’s true intent is to prevent housing projects that comply with SB 79.
- The City has improperly rejected the Project’s SB 330 Preliminary Application.

Please note that significant new legislative repercussions apply to violations of State housing laws, including SB 808 and AB 712. SB 808 created an expedited hearing schedule for alleged denials of qualifying housing development projects. AB 712 imposes minimum penalties

of \$10,000 per unit for large projects in addition to reasonable attorneys' fees and costs in certain circumstances when a jurisdiction is determined to have violated State housing law. Applicable penalties could exceed \$6.5 million for the Project alone.

We urge you to deny the urgency Ordinance and direct staff to prepare an Ordinance that complies with SB 79 or alternatively, upzone the properties subject to the urgency Ordinance in a procedurally proper manner with adequate analysis, vertical consistency with planning documents, and CEQA review.

Sincerely,

Cox, Castle & Nicholson LLP

A handwritten signature in cursive script, reading "Morgan L. Gallagher".

Morgan L. Gallagher
Partner

August 2026						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

MILPITAS CITY COUNCIL CALENDAR

September 2026

October 2026						
S	M	T	W	T	F	S
						3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 6:00 PM-Closed Session 7:00 PM-City Council	2 2:00 PM-Santa Clara VTA Monthly Briefing - Northeast Group (CM) (Santa Clara)	3 5:30 PM-Santa Clara VTA Board of Directors (CM) 5:30 PM-Milpitas Chamber of Commerce Board (GB)	4	5
6	7 CITY HOLIDAY City Hall Closed 	8 4:00 PM-Milpitas HOPE	9 7:00 PM-Silicon Valley Clean Energy Board of Directors (GB) (Sunnyvale)	10 4:00 PM-Santa Clara VTA Policy Advisory Committee (EC) 4:00 PM-Treatment Plant Advisory Committee (CM) (San Jose) 6:00 PM-Youth Advisory Commission (HL) 7:00 PM-Cities Assoc of SCC (CM)	11	12
13	14 4:30 PM-Economic Development and Trade Commission (WL)	15 5:00 PM-Closed Session 7:00 PM-City Council	16 4:00 PM-City Council Finance Subcommittee (CM/EC) 6:00 PM-Energy and Environmental Sustainability Commission (EC)	17 5:30 PM-Measure F Oversight Committee 6:30 PM-Bay Area Water Supply Conserv Agency (CM) (Oak Room - San Mateo Main Library) 7:00 PM-Public Safety and Emergency Preparedness Commission (WL)	18	19
20	21 7:00 PM-Science, Technology, and Innovation Commission (WL) 7:00 PM-Library and Education Commission (HL) (Milpitas Public Library)	22	23 7:00 PM-Planning Commission	24 4:00 PM-Silicon Valley Regional Interoperability Authority (SVRIA) (GB)	25	26
27	28 7:00 PM-Arts Commission (CM)	29	30			



SPECIAL MEETING OF THE MILPITAS CITY COUNCIL

MINUTES
MONDAY, AUGUST 3, 2026

The City Council of the City of Milpitas convened in a Special Meeting of the Milpitas City Council on August 3, 2026, in the City Council Chamber, 455 E. Calaveras Blvd, Milpitas, CA, and via teleconference/Zoom webinar.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

Mayor Montano called the City Council meeting to order at 5:33 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Mayor Montano, Vice Mayor Barbadillo (5:38 PM), Councilmember Chua, Councilmember Lam, Councilmember Lien
ABSENT: None

PLEDGE OF ALLEGIANCE

Mayor Montano led the Pledge of Allegiance.

PUBLIC FORUM

There were the following public speakers:

1. Rob Means
2. Voltaire Montemayor

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Curtis asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest. City Attorney Curtis asked the Mayor and City Councilmembers if they had any reportable campaign contributions. By roll call, there were no reportable campaign contributions.

Vice Mayor Barbadillo joined the meeting at 5:38 PM.

READING OF THE CITY COUNCIL CODE OF CONDUCT

Councilmember Chua read the City Council Code of Conduct.

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien
NOES: None

AGENDA ITEMS

1. **Adopt a Resolution Submitting the City of Milpitas Business Tax Modernization Measure to the Voters at the November 3, 2026 General Election and Reiterating the Request that the Election**

**be Consolidated with Other Elections Held on that Date and Taking Certain Related Actions
(Staff Contact: Madison Nguyen, Interim Economic Development Director, 408-586-3046; and
Jeannie Young, Senior Special Projects Associate, 408-586-3007)**

City Manager Hopkins introduced the item. Senior Special Project Associate Young presented the report, joined by Interim Economic Development Director Nguyen, Economic Development Specialist Zubair, City Attorney Curtis, and Finance Director Cofresí-Howe.

Mayor Montano confirmed that all revenue would flow to the general fund and expressed support for the measure's small business protections and the long-overdue nature of the update. Councilmember Chua commended the implementation team for the care taken with outreach and minimizing the impact on small businesses. Councilmember Lam inquired after companies with high gross receipts and businesses such as banks that may not generate conventional gross receipts; City Attorney Curtis clarified that banks and similar financial institutions are preempted from this type of tax under state and federal law.

Vice Mayor Barbadillo questioned the proposed gross receipts model, noting that most peer jurisdictions use a per-employee structure, and asked about the reliability of the estimates and whether an intermediate approach had been considered. Economic Development Specialist Zubair responded that staff and HDL evaluated multiple models and determined that gross receipts better reflect economic activity, particularly for high-revenue businesses with relatively few employees.

After discussion, motion: to Adopt **Resolution No. 9533** by a 4/5 vote calling for the placement of a General Tax Measure on the Ballot for the November 3, 2026 General Election for submission to the qualified voters of an Ordinance of the City of Milpitas repealing Title III, Chapter 1 ("Business Licenses") of the Milpitas Municipal Code and adding Title III, Chapter 10 ("Business Tax") to modernize and modify the method of levying the City's business tax; requesting the Board of Supervisors of the County of Santa Clara to consolidate the General Election to be held on November 3, 2026 with the Statewide General Election on that date and taking certain related actions.

Motion/Second: Councilmember Chua / Mayor Montano

Motion carried by the following:

AYES: Mayor Montano, Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam,
Councilmember Lien

NOES: None

ADJOURNMENT

Prior to adjournment, Councilmember Chua acknowledged the Milpitas Police Department in connection with the August 17th launch of a doorbell camera distribution initiative. Mayor Montano also noted that National Night Out events were scheduled for Tuesday, August 4th, with approximately 27 community parties citywide.

Mayor Montano adjourned the meeting at 6:59 PM.

Draft meeting minutes submitted by City Clerk, Suzanne Guzzetta



JOINT SPECIAL MEETING OF THE MILPITAS CITY COUNCIL, HOUSING AUTHORITY, AND PUBLIC FINANCING AUTHORITY

MINUTES

TUESDAY, AUGUST 11, 2026

The City Council of the City of Milpitas convened in a Joint Special Meeting of the Milpitas City Council, Housing Authority, and Public Financing Authority on August 11, 2026, in the City Council Chamber, 455 E. Calaveras Blvd, Milpitas, CA, and via teleconference/Zoom webinar.

CALL MEETING TO ORDER by Mayor and ROLL CALL by City Clerk

Vice Mayor Barbadillo called the Regular City Council meeting to order at 4:02 PM. Roll Call was taken by City Clerk Guzzetta.

PRESENT: Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien
ABSENT: Mayor Montano

ADJOURN TO CLOSED SESSION

The City Attorney briefed the Council on the Closed Session Agenda. There were no public comments.

(a) CONFERENCE WITH LABOR NEGOTIATOR

Pursuant to Government Code Section 54957.6
Agency's Designated Representative(s): Rick Bolanos, Liebert Cassidy Whitmore
Employee Organization(s): Professional and Technical Employees, Mid-Management and Confidential Employees, Milpitas Employees Association, Milpitas Police Officers Association, International Association of Firefighters, Unrepresented Employees

The City Council adjourned to Closed Session at 4:04 PM

CLOSED SESSION ANNOUNCEMENT:

The City Council recovered at 5:31 PM. There was no report out from the City Attorney.

PLEDGE OF ALLEGIANCE

Councilmember Lien led the Pledge of Allegiance.

INVOCATION

The invocation was provided by Councilmember Lien.

PRESENTATIONS

There were no presentations.

PUBLIC FORUM

There were the following public speakers:

1. Rob Means
2. Karen Friedman
3. Kaveri Rangaraj

ANNOUNCEMENT OF CONFLICT OF INTEREST AND CAMPAIGN CONTRIBUTIONS

City Attorney Curtis asked the Mayor and City Councilmembers if they had any personal conflicts of interest. By roll call, there were no conflicts of interest (Absent: Montano). City Attorney Curtis asked the Mayor and City Councilmembers if they had any reportable campaign contributions. By roll call, there were no reportable campaign contributions (Absent: Montano).

READING OF THE CITY COUNCIL CODE OF CONDUCT

Vice Mayor Barbadillo read the City Council Code of Conduct.

APPROVAL OF AGENDA

After discussion, motion: to approve the agenda.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

AYES: Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien

NOES: None

ABSENT: Mayor Montano

CONSENT CALENDAR

There were no public speakers.

After discussion, motion: to approve the Consent Calendar.

Motion/Second: Councilmember Chua / Councilmember Lien

Motion carried by the following:

AYES: Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien

NOES: None

ABSENT: Mayor Montano

1. Receive City Council Calendar of Meetings (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Received City Council Calendar of Meetings for August 2026.

2. Approve City Council Meeting Minutes (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Approve City Council Meeting minutes of June 16, 2026.

3. Receive the Preview List of Anticipated Items for the Next Regular City Council Meeting (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Receive the list of anticipated agenda items for the next regular City Council meeting.

4. Receive and Review the List of Agenda Items Requested by City Councilmembers (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)

Receive the list of items that have been requested by City Councilmembers and received consensus in previous meetings to date.

5. **Adopt a Housing Authority Resolution Appointing a Chair and Vice Chair and Establishing the Administrative Positions of the City of Milpitas Housing Authority (Staff Contact: Christian Curtis, City Attorney, 408-586-3041; and Luz Cofresí-Howe, Finance Director, 408-586-3111)**

Adopt **Housing Authority Resolution No. HA 35** (1) Appointing the Mayor and Vice Mayor as Chair and Vice Chair of the Authority; (2) Establishing and designating the administrative positions of the Authority - Executive Director, Assistant Executive Director, Treasurer, Assistant Treasurer, Secretary, and Authority Counsel - to corresponding City of Milpitas positions, assigning specified record-keeping, custodial, and attestation duties to the Secretary, and confirming the individuals currently serving in those City positions; (3) Authorizing the Executive Director, or designee, to execute contracts and other instruments on behalf of the Authority as delegated by the Commissioners; and (4) Adopting, by reference, the personnel rules and regulations, conflict of interest code, and fiscal policies of the City of Milpitas as the personnel rules and regulations of the Authority required by Health and Safety Code section 34278.

6. **Appointment of Voting Delegates for the Annual California League of Cities Conference (Staff Contact: Suzanne Guzzetta, City Clerk, 408-586-3001)**

Appoint Mayor Montano as the City's voting delegate and Councilmembers Lam and Lien as the alternate voting delegates for the League of California Cities Annual Conference and Expo General Assembly.

7. **Authorize and Approve Travel Request for Mayor Montano, Councilmember Lien, and Councilmember Lam to Anaheim, CA for the League of California Cities' 2026 Annual Conference and Expo (Staff Contact: Julie Minot, Senior City Manager Analyst, 408-586-3054)**

Authorize and approve the travel for Mayor Montano, Councilmember Lien, and Councilmember Lam to Anaheim, CA for the League of California Cities' 2026 Annual Conference and Expo to be held on Sept 23-25, 2026, for an estimated combined total amount of \$7,600, budgeted under the Individual Elected Official allocation for Conferences/Meetings/Trainings.

8. **Approve and Authorize the City Manager, or Designee, to Execute a Memorandum of Understanding with Milpitas Unified School District for the MUSD Alliance and Alumni Partners for Future-Ready Learners Program (Staff Contact: Madison Nguyen, Interim Director of Economic Development, 408-586-3046; and Renée Lorentzen, Director of Recreation and Community Services, 408-586-3409)**

Approve and authorize the City Manager, or designee, to execute a Memorandum of Understanding between the City of Milpitas and the Milpitas Unified School District for the MUSD Alliance and Alumni Partners for Future-Ready Learners Program.

9. **Adopt Resolutions Approving the Continued Investment of Monies in the Local Agency Investment Fund and Designating Officers Authorized to Sign on the Respective Accounts (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)**

(1) Adopt **Resolution No. 9534** of the Milpitas City Council approving the continued investment of monies in the Local Agency Investment Fund and designating officers authorized to sign on the respective accounts; and (2) Adopt **Resolution No. PFA 32** of the Board of Directors of the Milpitas Public Financing Authority approving the continued investment of monies in the Local Agency Investment Fund and designating officers authorized to sign on the respective accounts.

10. **Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with Medallion Landscape Management, LLC for Parks and Landscaping Maintenance Services**

(Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Christian Di Renzo, Public Works Director, 408-586-2602)

Authorize the City Manager, or designee, to negotiate and execute a Maintenance Services Agreement with Medallion Landscape Management, LLC for Parks and Landscaping Maintenance Services with a maximum compensation of \$1,654,540 for an initial 13-month term of September 1, 2026 through September 30, 2027; negotiate and execute amendments and change orders to add, delete, modify services as required; and exercise up to six one-year options to extend the term of the Agreement through September 30, 2033, subject to the appropriation of funds.

- 11. Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with Dustin Kudela, dba Unimax Construction, for Fire Station No. 1 Kitchen Renovation (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Christian Di Renzo, Public Works Director, 408-586-2602)**

Authorize the City Manager, or designee, to negotiate and execute a Construction Agreement with Dustin Kudela, dba Unimax Construction, for Fire Station No. 1 Kitchen Renovation for \$118,000 with a 10% contingency of \$11,800, for a total not-to-exceed amount of \$129,800, subject to an executed change order.

- 12. Adopt a Resolution Authorizing Acceptance of the FY2026-27 California Highway Patrol Cannabis Tax Fund Grant Program Award, Approve Purchase of Specialty Patrol Vehicle, and Approve Related Budget Appropriation (Staff Contact: Jared Hernandez, Chief of Police, 408-586-2406)**

(1) Adopt **Resolution No. 9535** authorizing the City Manager, or designee, to accept the FY2026-27 California Highway Patrol Cannabis Tax Fund Grant Program Award in the amount of \$130,482 and execute the resulting grant agreement and related ancillary documents; (2) authorize the City Manager, or designee, to execute a purchase order with Duval Ford for one specialty patrol vehicle, including outfitting and decals, in an amount not to exceed \$98,660; and (3) approve a related budget appropriation in the amount of \$130,482 in the State Grants Police Fund (Fund 268).

PUBLIC HEARINGS

- 13. Consider Introducing an Ordinance to Amend Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 Relating to the Regulation of Tobacco Retailers (Staff Contact: Jay Lee, Planning Director, 408-586-3077)**

Planning Director Lee introduced the item and Principal Planner Van Hua presented the report.

Vice Mayor Barbadillo opened the public hearing.

There were the following public speakers:

1. Chris Miller

Vice Mayor Barbadillo closed the public hearing.

Councilmember Chua requested clarification on the amended code sections and Councilmember Lien inquired about enforcement practices. Police Chief Hernandez and Captain Parodi confirmed that inspections are primarily complaint-driven, and that two standalone smoke shops had been investigated in the past year through joint operations with state authorities, resulting in criminal charges.

City Attorney Curtis read aloud the title of the ordinance.

After discussion, motion: to (1) Determine that the ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15183 (Projects Consistent with General Plan, and as a separate and independent basis, exempt pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption); and (2) introduce **Ordinance 38.863** amending Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 relating to the regulation of tobacco retailers (P-ZA26-0001). .

Motion/Second: Councilmember Lien / Councilmember Lam

Motion carried by the following:

AYES: Vice Mayor Barbadillo, Councilmember Chua, Councilmember Lam, Councilmember Lien

NOES: None

ABSENT: Mayor Montano

LEADERSHIP AND SUPPORT SERVICES

14. Receive a Presentation on Municipal Bonds 101 (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)

City Manager Hopkins introduced the item. Finance Director Cofresí-Howe offered opening comments, and the presentation was delivered by Jim Fabian of Fieldman (Municipal Advisor) and James Wawrzyniak of Jones Hall (Bond and Disclosure Counsel). The Finance Director and presenters responded to questions from City Council.

There were the following public speakers:

1. Voltaire Montemayor

There was no action taken.

ANNOUNCEMENTS AND FUTURE AGENDA ITEMS

Councilmember Chua announced the grand opening of a new Milpitas pickleball facility on Ranch Drive.

Councilmember Lien asked staff to address dry, tall grass on the hillsides as a fire safety concern.

Vice Mayor Barbadillo made the following requests:

- (1) Consider reviewing or developing a policy around the issue of regulation of electric bicycles and scooters. There was a consensus to add the item to the priority list (4-0-1. Absent: Montano)
- (2) Review the City's mixed-use zoning standards, specifically guidelines governing the percentage of commercial versus residential components. There was a consensus to add the item to the priority list (3-1-1. Noes: Lien. Absent: Montano)
- (3) Review the City's tree ordinance to assess whether updates are needed. There was a consensus to add the item to the priority list (3-1-1. Noes: Lien. Absent: Montano)

ADJOURNMENT

Vice Mayor Barbadillo adjourned the meeting at 7:52 PM.

Draft meeting minutes submitted by City Clerk, Suzanne Guzzetta

TENTATIVE CITY COUNCIL AGENDA ITEM LIST

as of 08/27/2026

September 15, 2026 –Regular Meeting (7:00 PM)

CLOSED SESSION

INVOCATION (Councilmember Chua)

PRESENTATION

- Childhood Cancer Awareness Month (Proclamation)
- Milpitas Cancer Kids First (Commendation)

CONSENT CALENDAR

1. Receive City Council Calendar for September and October 2026 (City Clerk)
2. Approve City Council Meeting minutes of September 1, 2026 (City Clerk)
3. Preview list of items for October 6, 2026 (City Clerk)
4. Councilmember Request List (City Clerk)
5. Response to Civil Grand Jury Reports (City Attorney)
6. Biennial Conflict of Interest Code Update (City Clerk)
7. Commission Appointments (City Clerk)
8. Approve an Improvement Agreement for Amazon Distribution Warehouse Building at 1000 Gibraltar Drive (Public Works / Engineering)
9. Amendment to Agreement for Metro Tango Subdistrict Park Project, CIP No. 2023 (Public Works / Engineering)
10. Amendment to Imperial Maintenance Agreement (Public Works)

PUBLIC HEARINGS

11. CDBG CAPER (Housing)
12. Red Light Program (Police)

COMMUNITY DEVELOPMENT

13. Community Center Roof Renovation Presentation (Public Works / Engineering)

LEADERSHIP AND SUPPORT SERVICES

14. Milpitas Food Pantry (City Manager)

**MILPITAS CITY COUNCIL
AGENDA ITEM REQUESTS**

Status	Item #	Request	Submitted by:	Date Requested
Open	1	Consider reviewing or developing a policy around the issue of regulation of electric bicycles and scooters.	Barbadillo	8/11/2026
Open	2	Review the City's mixed-use zoning standards, specifically guidelines governing the percentage of commercial versus residential components.	Barbadillo	8/11/2026
Open	3	Review the City's tree ordinance to assess whether updates are needed.	Barbadillo	8/11/2026
Open	4	Return to the City Council with a recommendation regarding transitioning the food pantry lease to a market rate model through the Housing Authority	Lam	5/5/2026
Open	5	Consider prioritization of a formal, third-party staffing analysis for the Fire Department similar to the 2019 study	Barbadillo	4/7/2026
Open	6	Review the permitting process, including the site development permit process, to determine whether updates are needed.	Barbadillo	4/7/2026
Open	7	Explore youth programs and intervention initiatives in the wake of the passing of Milpitas high school student Jared Kavan on March 31st.	Montano	4/7/2026
Open	8	Review the Council prioritization process	Chua	11/18/2025
In Progress	9	Agendize a review by the Facility Naming Subcommittee of facilities named after Cesar Chavez and make recommendations to the Council	Montano	4/7/2026
In Progress	10	Alcohol and Massage Parlor Permits come before the City Council.	Montano	2/3/2026
In Progress	11	Look into the process of establishing a Friendship City relationship	Montano	11/18/2025
In Progress	12	Develop a project management informational memo.	Barbadillo	4/1/2025
In Progress	13	Feasibility study regarding a police satellite office.	Montano	2/18/2025
In Progress	14	Bring back a study or analysis of the permit process	Chua	11/19/2024
In Progress	15	Main Street Infrastructure Projects	Montano	2/28/2023

NOTE: Deferred and Completed Items are not listed



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Receive Report of Actions Taken by the City Manager During the City Council and City of Milpitas Housing Authority Summer Recess from June 17 through August 10, 2026 (Staff Contact: Scott Transou, Assistant City Manager, 408-586-3012)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Receive report of actions taken by the City Manager during the City Council and City of Milpitas Housing Authority summer recess from June 17 through August 10, 2026.

BACKGROUND:

On [June 9, 2026](#), City Council and the City of Milpitas Housing Authority adopted Resolution No. 9520, delegating authority to the City Manager, or their designee, to approve and execute project-related documents, including documents and urgent administrative items during the City Council and City of Milpitas Housing Authority summer recess from June 17, 2026 through August 10, 2026.

ANALYSIS:

The purpose of this agenda report is to provide the City Council and City of Milpitas Housing Authority with a list of items upon which this delegated authority was used.

There were no items during the Summer Recess from June 17 through August 10, 2026 upon which this delegated authority was used.

POLICY ALTERNATIVE(S):

Not Applicable

FISCAL IMPACT:

There is no fiscal impact associated with this report. No actions were taken under the delegated authority.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

None



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with Probolsky Research LLC for Citywide Research Services and Surveys (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Charmaine Angelo, Public Information Officer, 408-586-3055)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Authorize the City Manager, or designee, to negotiate and execute a professional services agreement with Probolsky Research LLC for Citywide research services and surveys for a five-year term with an initial not-to-exceed compensation of \$414,500, plus a 15% contingency of \$62,175, for a total maximum compensation of \$476,675, subject to appropriation by the City Council through the annual budget adoption process.

BACKGROUND:

The City commissions an annual community satisfaction survey to gather resident feedback on community priorities, quality of life, and satisfaction with City programs and services. The survey serves as an important public engagement tool that provides statistically valid data to inform the City's budget development process, strategic planning, service delivery, and policy decisions. The City also periodically requires additional public opinion research, such as for ballot measure research and employee engagement surveys, to support organizational planning, inform City Council, and evaluate specific initiatives. Together, these research efforts provide objective data that help assess community needs, measure trends over time, and support informed decision-making.

ANALYSIS:

On January 15, 2026, the City released a Request for Proposal (RFP 25-1147) for Citywide Research Services for Milpitas Community Surveys. The RFP invited qualified vendors with demonstrated experience in survey design, community research, data analysis, and ballot measure and issue-based polling to submit proposals. Pursuant to Milpitas Municipal Code Section [I-2-3.09](#), the City used the request for proposals process for this procurement. Section [I-2-3.13-2\(b\)](#) requires City Council approval where a consultant's total fee exceeds \$100,000.

The RFP was publicly advertised on the [City's website](#) and on [OpenGov](#), the City's eProcurement portal in accordance with Milpitas Municipal Code Section [I-2-3.11](#). Upon release, notifications were sent to 7,634 registered vendors, and 50 firms downloaded the solicitation documents. The City received two responsive and responsible proposals by the proposal due date of February 19, 2026.

Proposals were evaluated in accordance with the evaluation criteria set forth in the RFP and were based on submitted proposals, vendor interviews, reference checks, and Best and Final Offers (BAFOs). Final scores were as follows:

Evaluation Criteria	Evaluation Criteria Weight (%)	Policy Confluence, Inc. Weighted Score	Probolsky Research LLC Weighted Score
Cover Letter and RFP Compliance	5.0%	3.5	4.2
Company Experience/Qualifications	15.0%	9.5	13.0
Personnel Assigned	15.0%	11.0	11.5

Evaluation Criteria	Evaluation Criteria Weight (%)	Policy Confluence, Inc. Weighted Score	Probolsky Research LLC Weighted Score
Execution Plan	15.0%	11.0	13.0
Research Methodology Expertise	15.0%	11.5	13.0
Data Quality and Confidentiality	15.0%	12.5	12.0
References	5.0%	3.8	4.2
Proposed Compensation	15.0%	15.0	13.8
Total Weighted Score	100.0%	77.8	84.7

Staff conducted reference checks for both vendors, which included the City of Agoura Hills and City of Napa for Probolsky Research, and City of Livermore and City of Palo Alto for Policy Confluence, Inc. All references were overall favorable.

Based on the final results, Probolsky Research was determined to be the most advantageous to the City, and a notice of intent to award was issued on June 22, 2026, subject to City Council approval and successful negotiation and execution of an agreement in conformance with the City's standard terms and conditions. The protest period for the RFP ended June 29, 2026, and no protests were received.

Probolsky Research LLC proposed all-inclusive, fixed-firm pricing with no hourly, travel, or expense charges. The annual community satisfaction survey is priced at \$44,700 and consists of an approximately 20-minute instrument administered online, by telephone, and by mail to at least 600 residents in Chinese, English, Spanish, Tagalog, and Vietnamese, with a margin of error of +/- 4.1 percent at a 95 percent confidence level. One workshop is included at no additional cost; additional workshops are \$4,900 each and focus groups are \$13,900 each. All rates are fixed for the five-year term with no annual escalation.

Staff recommends authorization to enter into a five-year agreement with Probolsky Research LLC with a base not-to-exceed compensation of \$414,500. That amount consists of \$223,500 for five annual surveys and \$191,000 for as-needed ballot measure and issue-based polling, employee engagement surveys, focus groups, and workshops, requested at the City's sole discretion. Staff also recommends a 15 percent contingency of \$62,175 for services beyond those quantities, for a total maximum compensation of \$476,675, subject to appropriation by the City Council through the annual budget adoption process. Any use of contingency funds will require a specific scope of work priced at the agreement's fixed rates and an executed contract amendment, which will be executed administratively within the authorized total without further City Council action.

POLICY ALTERNATIVE(S):

Alternative No. 1: Do not authorize staff to enter into the agreement with Probolsky Research LLC.

Pro: The City would not incur these expenses.

Con: The City would not have a qualified vendor under contract to administer the City's annual community satisfaction survey, provide as-needed ballot measure and issue-based polling and conduct employee surveys. This would require staff to conduct a new solicitation with a high potential to have the same outcome. This will delay contracting, potentially delay project delivery, and increase the use of staff resources.

Reason for Not Recommending: Not approving the agreement will prevent the City from establishing a contract with a qualified vendor to administer the City's annual community satisfaction survey on an ongoing basis to facilitate continuity and better enable staff to track trends across multiple years. It may also delay the availability of data needed to support informed City decision-making.

PROJECT SCHEDULE/KEY MILESTONES

Staff expects to negotiate and execute a Professional Services Agreement with Probolsky Research LLC by September 30, 2026, with the first survey expected to begin early December 2026.

FISCAL IMPACT:

Sufficient funds are available in the City Manager's Office current fiscal year operating budget to cover FY2026-27 expenditures under this Agreement. Funding for subsequent fiscal years of the five-year term will be included in the Department's base operating budget request, subject to appropriation by the City Council through the annual budget adoption process.

Additional survey and research services, including employee engagement surveys, ballot measure research, and other optional services, will be authorized on an as-needed basis and funded from the requesting department's operating budget, subject to appropriation by the City Council through the annual budget adoption process. Total maximum compensation over the five-year term is \$476,675, consisting of \$414,500 in base compensation and \$62,175 in contingency

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize Conveyance of Below Market Rate Unit at 1377 Coyote Creek Way to the Milpitas Housing Authority, and Approve the Sale of the Unit to an Income-Qualified Buyer (Staff Contact: Hanson Hom, Senior Special Projects Associate; and Michelle Silva, Administrative Analyst II, 408-586-3222)
Category:	Consent Calendar-Community Development
Meeting Date:	8/11/2026
Recommendation:	(1) Authorize conveyance of the real property located at 1377 Coyote Creek Way (APN 083-10-079) from the City of Milpitas to the City of Milpitas Housing Authority and authorize the City Manager, or designee, to execute a grant deed and all other documents necessary to complete the conveyance, in a form approved by the City Attorney; and (2) Approve the sale of the property by the City of Milpitas Housing Authority to the income-qualified buyer at the maximum affordable resale price of \$585,000, and authorize the Executive Director, or designee, to execute the purchase and sale agreement, grant deed, escrow instructions, resale restriction agreement, and all other documents necessary to complete the sale, in a form approved by Authority Counsel.

BACKGROUND:

On [June 17, 2025](#), the Board of the Milpitas Housing Authority (Authority) authorized the acquisition of the below market rate unit located at 1377 Coyote Creek Way (APN 083-10-079) to preserve its long-term affordability. At that time, the unit could not be sold to an eligible purchaser because of financing restrictions associated with Fannie Mae and Freddie Mac lending requirements and unresolved issues involving the homeowners association (HOA). Acquisition was authorized with the intent of reselling the unit once those issues were resolved.

The acquisition closed on September 8, 2025, for a purchase price of \$411,580.00, escrow closed with Chicago Title Company escrow # FWPS-3022250650. Title vested in the City of Milpitas rather than the Authority. The grant deed was recorded on September 8, 2025, in the Official Records of Santa Clara County as Document No. 25866184 (Attachment C). The granting clause of that deed names the City of Milpitas as grantee, while the certificate of acceptance attached to the deed recites acceptance on behalf of the Milpitas Housing Authority.

The City Attorney's Office has reviewed the recorded instrument and has advised that a conveyance from the City to the Authority, authorized by the City Council and accepted by the Authority, is the appropriate action to place title in the entity responsible for owning and conveying units acquired under the Authority's BMR Program.

Since the acquisition, the financing and HOA issues have been resolved, and the unit again qualifies for conventional financing. HouseKeys has identified an income-qualified moderate-income buyer, selected in accordance with the adopted BMR Program buyer selection procedures, who is prepared to proceed with the purchase. From a total of 139 applicants, 43 potential buyers were ranked based on the City's preference guidelines.

ANALYSIS:

The recommended actions, in required sequence, are as follows:

1. The City Council authorizes conveyance of the unit to the Authority, correcting the vesting of title.
2. The Authority Commissioners approve the sale to the identified buyer and authorize the Executive Director, or designee, to execute the closing documents.

Affordability is preserved at resale through a resale restriction agreement and right of first refusal recorded against the property at close of escrow in favor of the Authority, with a term of 55 years, together with a deed of trust securing performance. Without those recorded instruments, the unit would convert to market rate upon the buyer's subsequent resale, and the purpose of the acquisition would not be achieved.

Completion of the sale fulfills the original purpose of the acquisition – to preserve an affordable homeownership opportunity while financing and HOA obstacles were resolved – and returns the unit to occupancy by an income-qualified household.

The grant deed conveying the property from the City to the Authority, the purchase and sale agreement, the escrow instructions, the resale restriction agreement and right of first refusal, and the related closing documents are not attached to this report. This item authorizes the City Manager, or designee, to execute the conveyance documents in a form approved by the City Attorney, and authorizes the Executive Director of the Housing Authority, or designee, to accept the property and execute the sale and closing documents in a form approved by Authority Counsel. The resale restriction agreement and right of first refusal will conform to the standard form used under the Below Market Rate Housing Program.

POLICY ALTERNATIVE(S):

Alternative 1: Do not authorize the conveyance and sale; retain the unit in City ownership.

Pros: Retains the asset in City ownership; no closing costs are incurred at this time.

Cons: The property was purchased using Housing Authority funds which cannot be diverted to the City. To retain City ownership, the City would need to purchase the property from the Housing Authority for full fair market value.

Reason for Not Recommending: Continued City ownership serves no BMR Program objective, incurs ongoing cost, and defers the affordability preservation the acquisition was intended to secure.

Alternative 2: Authorize the conveyance to the Authority but defer approval of the sale to a later meeting.

Pros: Corrects the vesting of title now and allows additional time to review the sale terms.

Cons: Risks loss of the identified buyer's financing commitment and interest rate lock; extends City carrying costs; and requires a second Commissioners' action with no corresponding benefit, because the sale price and buyer eligibility are set by BMR program requirements rather than negotiated.

Reason for Not Recommending: Deferral adds delay and cost without adding Commissioner discretion.

PROJECT SCHEDULE/KEY MILESTONES

City Council and Housing Authority Commission action on this item: September 1, 2026

Execution and recordation of grant deed, City to Authority: Upon approval, Chicago Title will prepare the corrected deed

Close of escrow: Escrow is currently open and is scheduled to close within 45 days after recording the corrected deed

FISCAL IMPACT:

The City acquired the property on September 8, 2025, for a purchase price of \$436,285.15, funded by the Housing Authority Fund (295). Since acquisition, the City has incurred \$3,427.83 in HOA dues, property

insurance, maintenance, and related carrying costs, funded by the Affordable Housing Unrestricted Fund (217).

Conveyance of the property from the City to the Authority is a transfer between related public entities for no monetary consideration. There is no impact to the General Fund.

The property will be sold to the income-qualified buyer for \$585,000, the maximum affordable resale price determined under the Below Market Rate Housing Program resale formula. Estimated closing costs of \$40,687.23, consisting of escrow and title fees, recording fees, HOA transfer and document fees, and program administrator compensation, will be paid through escrow at closing. In addition, the buyer will pay the Authority rent at a rate of \$118.36 per day beginning July 17, 2026, through close of escrow, with the total amount due calculated based on the actual closing date and included in the net proceeds payable to the Authority at closing.

Net proceeds will be deposited into Housing Authority Fund (295), reimbursing the Authority for acquisition and carrying costs of \$436,285.15 and resulting in a net estimated surplus of \$117,264.31.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and is not a project pursuant to Pub. Resources Code, § 21065 and Cal. Code Regs., tit. 14, § 15378. Even if a project, the action is exempt from further CEQA review pursuant to Cal. Code Regs., tit. 14, § 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

ATTACHMENT(S):

(a) Grant Deed Recorded September 8, 2025, Document No. 25866184

25866184

Louis Chiaramonte
Santa Clara County - Clerk-Recorder
09/08/2025 03:05 PM

Titles: 1 Pages: 5
Fees: \$37.00
Tax: \$0.00
Total: \$37.00

RECORDING REQUESTED BY:
Chicago Title Company

**When Recorded Mail Document
and Tax Statement To:**
City of Milpitas
455 East Calaveras Blvd
Milpitas, CA 95035

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Escrow No.: FWPS-3022250650

Property Address: 1377 Coyote Creek Way,
Milpitas, CA 95035-7944

The document is executed or recorded by the state or any county, municipality, or other political subdivision of the state (GC 27388.1 (a) (2) (D)).

APN/Parcel ID(s): 083-10-079

GRANT DEED

The undersigned grantor(s) declare(s)


Settlement Agent

- ☒ This transfer is exempt from the documentary transfer tax.
The grantee is the United States or an agency or instrumentality thereof, a state or territory, or political subdivision thereof, R & T 11922.
Exempt from recording fees pursuant to CA Gov't Code Sections 27383 and 27388.1.

- ☐ The documentary transfer tax is \$0.00 and is computed on:
☐ the full value of the interest or property conveyed.
☐ the full value less the liens or encumbrances remaining thereon at the time of sale.

The property is located in ☒ the **City of Milpitas**.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Daniel Pereira Dias and Silvia Melo Dias, Trustees of the Daniel and Silvia Dias Revocable Living Trust, dated September 20, 2019, and any amendments thereto, as to community property,

hereby GRANT(S) to City of Milpitas

the following described real property in the City of Milpitas, County of Santa Clara, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

PROPERTY COMMONLY KNOWN AS: 1377 Coyote Creek Way, Milpitas, CA 95035-7944

MAIL TAX STATEMENTS AS DIRECTED ABOVE

GRANT DEED

(continued)

APN/Parcel ID(s): 083-10-079

Dated: July 30, 2025

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

The Daniel and Silvia Dias Revocable Living Trust, dated September 20, 2019, and any amendments thereto

BY: Dan Pereira DiasDaniel Pereira Dias
TrusteeBY: [Signature]Silvia Melo Dias
Trustee

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

~~State of California~~ ^{Idaho} Idaho
County of Twin Falls

On 06/28/2025 before me, Erin Ann Mummert, Notary Public,
(here insert name and title of the officer)

personally appeared Daniel Pereira Dias and Silvia Melo Dias,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies),
and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ ^{Idaho} Idaho that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Signature]
Signature

ERIN ANN MUMMERT
Notary Public - State of Idaho
Commission Number 20192379
My Commission Expires 11-14-2025

EXHIBIT "A" Legal Description

For APN/Parcel ID(s): 083-10-079

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF MILPITAS, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 1:

UNIT 226 (THE "UNIT") AS SHOWN AND DESCRIBED IN THE CONDOMINIUM PLAN FOR COYOTE CREEK, THE ROWS (TOGETHER WITH ANY AND ALL AMENDMENTS AND/OR RESTATEMENTS THERETO, COLLECTIVELY, THE "PLAN"), RECORDED MAY 30, 2013 AS INSTRUMENT NO. 22239552, FIRST AMENDMENT TO CONDOMINIUM PLAN, THE ROWS, RECORDED AUGUST 29, 2013 AS INSTRUMENT NO. 22369269 AND SECOND AMENDMENT TO CONDOMINIUM PLAN RECORDED JANUARY 17, 2014 AS INSTRUMENT NO. 22499456, IN THE OFFICIAL RECORDS OF SANTA CLARA COUNTY, CALIFORNIA ("OFFICIAL RECORDS"), CONSISTING OF A PORTION OF LOT 21 OF TRACT NO. 10087, IN THE CITY OF MILPITAS, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, AS SHOWN ON A SUBDIVISION MAP ("MAP") FILED IN BOOK 852, PAGES 38 TO 44, OF MAPS, IN THE OFFICE OF THE SANTA CLARA COUNTY RECORDER.

EXCEPTING THEREFROM, FOR THE BENEFIT OF GRANTOR, AND ITS SUCCESSORS IN INTEREST AND ASSIGNEES, TO THE EXTENT NOT ALREADY EXCEPTED OR RESERVED BY INSTRUMENT OF RECORD:

A. ANY AND ALL REMAINING OIL RIGHTS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND RIGHTS TO ALL OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, TO ALL GEOTHERMAL HEAT AND TO ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING (COLLECTIVELY, "SUBSURFACE RESOURCES");

B. THE PERPETUAL RIGHT TO DRILL, MINE, EXPLORE AND OPERATE FOR AND TO PRODUCE, STORE AND REMOVE ANY OF THE SUBSURFACE RESOURCES ON OR FROM THE UNIT, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THE UNIT, WELLS, TUNNELS AND SHAFTS INTO, THROUGH OR ACROSS THE SUBSURFACE OF THE UNIT, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS, TUNNELS AND SHAFTS WITHIN OR BEYOND THE EXTERIOR LIMITS OF THE UNIT, AND TO REDRILL, RETUNNEL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT THE RIGHT TO DRILL, MINE, EXPLORE, OPERATE, PRODUCE, STORE OR REMOVE ANY OF THE SUBSURFACE RESOURCES THROUGH OR IN THE SURFACE OR THE UPPER FIVE HUNDRED FEET (500') OF THE SUBSURFACE OF THE UNIT; AND

C. ANY AND ALL WATER, WATER RIGHTS, IF ANY, INCLUDING WITHIN AND UNDERLYING THE UNIT.

PARCEL NO. 2

AN UNDIVIDED ONE-TWELFTH (1/12TH) FEE SIMPLE INTEREST AS A TENANT IN COMMON IN AND TO THE COMMON AREA DESCRIBED IN THE PLAN.

PARCEL NO. 3

EXCLUSIVE USE EASEMENTS FOR THE BENEFIT OF THE UNIT APPURTENANT TO PARCEL NOS. 1 AND 2 DESCRIBED ABOVE, FOR DECKS, ENTRY PORCHES (ALL AS APPLICABLE AND SHOWN IN THE PLAN), FOR PLACEMENT AND MAINTENANCE OF AIR CONDITIONING COMPRESSOR PAD AND FOR INTERNAL AND EXTERNAL TELEPHONE WIRING PURPOSES, AS APPLICABLE, OVER THOSE PORTIONS OF THE ASSOCIATION PROPERTY SHOWN IN THE PLAN OR AS DESCRIBED IN THE DECLARATION.

PARCEL NO. 4

EXHIBIT "A"

Legal Description

NONEXCLUSIVE EASEMENTS FOR ACCESS, DRAINAGE, ENCROACHMENT, MAINTENANCE, REPAIR, AND FOR OTHER PURPOSES, ALL AS MAY BE SHOWN ON THE PLAN AND THE MAP, AND AS DESCRIBED IN THE DECLARATION.

CERTIFICATE OF ACCEPTANCE

Pursuant to California Government Code Section 27281

Property Address: 1377 Coyote Creek Way, Milpitas, CA 95035

APN: 083-10-079

This is to certify that the interest in real property conveyed by that certain Grant Deed dated July 30, 2025, from The Daniel and Silvia Dias Revocable Living Trust, dated September 20, 2019, and any amendments thereto to the Milpitas Housing Authority, a Municipal Corporation, is hereby accepted by the undersigned officer on behalf of the Milpitas Housing Authority.

The grantee consents to the recordation thereof by its duly authorized officer.

Dated: September 8, 2025

A handwritten signature in dark ink, appearing to read "Deanna J. Santana", is written over a horizontal line.

Deanna J. Santana, Interim City Manager as

Interim Executive Director



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution to Amend the Classification Plan to Establish the Positions of Asset Management Program Administrator and Purchasing Manager, Reclassify the Purchasing Manager, and Amend the Salary Schedule to Include the Salary Range for Both Classifications, Effective September 1, 2026 (Staff Contact: Kelli Parmley, Human Resources Director, 408-586-3090)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Adopt a resolution amending the Classification Plan to: (1) establish a new classification for the Asset Management Program Administrator; (2) establish the classification of Purchasing Manager and reclassify the Purchasing Agent to Purchasing Manager; (3) approve the class specifications for both classifications; and (4) amend the Salary Schedule to include the salary ranges for both classifications.

BACKGROUND:

As part of the FY2026–2027 Adopted Budget, the City Council authorized:

- The addition of 1.0 FTE Asset Management Program Administrator; and
- The reclassification of 1.0 FTE Purchasing Agent to Purchasing Manager.

City policy requires City Council approval for the establishment of new classifications and any reclassification of existing positions. In addition, CalPERS requires that all classifications and associated salary ranges be maintained on publicly available pay schedules. Accordingly, the City must amend the Classification Plan and Salary Schedule to reflect these changes.

Human Resources conducted a review of the proposed classification and reclassification, including interviews with the respective Department leadership and staff, as well as a review of comparable classifications from peer agencies. Internal equity and alignment with existing City classifications were also evaluated to ensure appropriate compensation placement.

ANALYSIS:

Asset Management Program Administrator

The Asset Management Program Administrator, to be housed in the Public Works Department, will be responsible for advancing the City's asset management strategy and safeguarding Citywide infrastructure and critical assets. This role will enhance system coordination across the Computerized Maintenance Management System (CMMS) and Geographic Information System (GIS), improve tracking and reporting of maintenance activities, and strengthen integration across operational platforms. The position will support data-driven decision-making and long-term infrastructure planning.

Purchasing Manager (Reclassification)

The reclassification of Purchasing Agent to Purchasing Manager reflects the evolving scope, complexity, and strategic importance of the City's procurement function. Reporting to the Finance Director, the Purchasing Manager will oversee the administration of the City's procurement program, including policy development, compliance, contract management, and strategic sourcing. This role requires a higher level of independent judgment, technical expertise, and managerial accountability. Due to the increased scope and confidential nature of the responsibilities, the position will be designated as Unrepresented. The proposed salary range reflects these expanded duties and aligns with market and internal equity considerations.

Human Resources surveyed comparator agencies and recommends placement of the Purchasing Manager at an annual range of \$170,000 to \$220,000 and the Asset Management Program Administrator at an annual range of \$129,313.34 to \$181,038.78, based on median market data and internal alignment with comparable City management classifications.

POLICY ALTERNATIVE(S):

Alternative 1: Do not adopt the resolution and retain the current Classification Plan and Purchasing Agent classification.

Pros: Maintains the existing classification structure without change.

Cons: The City would be unable to fill the positions authorized in the FY2026-27 Adopted Budget; the Purchasing Agent classification does not reflect the current scope of the City's centralized procurement and contract administration function; and the City would continue to rely on temporary staffing to meet asset management operational demands.

Reason for Not Recommending: Both positions were authorized and funded by the City Council through the FY2026-27 Adopted Budget, and CalPERS requires that all classifications and pay rates be reflected on a duly adopted, publicly available pay schedule.

Alternative 2: Adopt the resolution establishing the Asset Management Program Administrator classification only and defer the Purchasing Manager reclassification.

Pros: Allows additional time to evaluate the Purchasing Manager salary range placement.

Cons: Delays alignment of the procurement function with the duties currently being performed and requires a second Council action to complete an already-authorized change.

Reason for Not Recommending: Both actions were authorized in the FY2026-27 Adopted Budget and are appropriately implemented together.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Date
City Council adoption of resolution	September 1, 2026
Classification Plan and Salary Schedule amendments effective	September 1, 2026

FISCAL IMPACT:

Funding for these positions was included in the FY2026-27 Operating Budget adopted by City Council on [June 9, 2026](#). The proposed annual range for the Asset Management Program Administrator is \$129,313.34 to \$181,038.78, and the proposed annual salary range for the Purchasing Manager is \$170,000 to \$220,000. Sufficient funds are available in the adopted FY2026-27 operating budgets of the Public Works and Finance Departments to cover the cost of these positions at the recommended ranges, and no additional appropriation is required. Funding for subsequent fiscal years will be included in each department's base operating budget, subject to appropriation by the City Council through the annual budget adoption process.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the CEQA Guideline 15378(b).

ATTACHMENT(S):

- (a) Asset Management Program Administrator Class Specification
- (b) Purchasing Manager Class Specification
- (c) Resolution
- (d) Exhibit A to Resolution: All Job Classifications_Salary Table Effective 09-01-2026



ASSET MANAGEMENT PROGRAM ADMINISTRATOR

City of Milpitas

Created: 09/2026

EEOC: Officials and Administrators

FLSA: Exempt

Unit: Mid-Management Confidential

Physical: 1

DEFINITION

To perform the planning, directing, coordinating, and administering of comprehensive asset management programs for the City's utility enterprises and public infrastructure, equipment, and assets; to oversee Computerized Maintenance Management Systems (CMMS) and coordinate the integration with the City's Enterprise Resource Planning (ERP) and Geographic Information Systems (GIS) systems while ensuring system maintenance, data integrity, and application support to internal and external users; to manage integration efforts between GIS, ERP, and CMMS, and other related ticketing systems; to provide consultation and collaborate effectively with inter-departmental staff and external stakeholders; to develop and implement asset management standards, policies, and best practices in alignment with departmental objectives; to monitor program performance, recommend improvements, and manage related technical projects including CMMS system configuration and report development; and to perform related duties as required.

DISTINGUISHING CHARACTERISTICS

The Asset Management Program Administrator classification is a full journey and working management-level position responsible for overseeing the comprehensive asset management program within the Public Works Department. Incumbents exercise a high degree of independence and judgment in overseeing asset management systems, including Geographic Information Systems (GIS), Computerized Maintenance Management Systems (CMMS), Enterprise Resource Planning (ERP), and Customer Relationship Management (CRM). This position is responsible for integrating and coordinating related technical platforms. This role includes responsibility for training and working with technical and field staff, ensuring programmatic goals are met effectively.

This classification is distinguished from lower-level technical classifications by its complex analytical responsibilities and ability to make independent judgment. This position leads program oversight and the strategic implementation of asset management systems to align with organizational goals that deliver sustainable, value-driven outcomes.

It differs from higher-level management classes by the absence of broad executive leadership, policy formulation, and enterprise-wide administrative duties. The Asset Management Program

Administrator supports cross-functional efforts spanning IT, Finance, Public Works operations and engineering with technical expertise that encompasses system integration across the City.

SUPERVISION RECEIVED AND EXERCISED

Receives general supervision from the Public Works Director and Deputy Public Works Director.

Exercises direct and indirect supervision over technical and field staff engaged in asset management operations.

EXAMPLES OF DUTIES

Duties may include, but are not limited to, the following:

- Plan, direct, coordinate, and administer asset management programs and related systems including CMMS, ERP, CRM, and GIS
- Manage the integration and data synchronization between GIS, ERP, and asset management systems, including pushing data from CMMS and CRM ticketing platforms
- Manage citywide fleet lifecycle management programs, ensuring proper maintenance and utilization
- Manage utility and collection system assets including tracking of preventative maintenance schedules, repair and replacement costs, and regulatory reporting
- Provide leadership, training of technical and field staff supporting asset management systems
- May supervise and direct, train, and evaluate performance of technical, administrative, or temporary staff
- Collaborate with citywide department staff and external agencies to support asset repair, modification, and upgrade planning
- Monitor project schedules, budget expenditures, and adjust resource allocations to meet program objectives
- Consult with stakeholders including internal departments and external agencies on asset management system requirements and improvements
- Respond to technical requests and provide expert support across all Public Works divisions
- Evaluate workload demands and recommend procurement of personnel and technology resources
- Assign and prioritize technical staff work tasks to align with project timelines and departmental priorities
- Prepare and present reports on program status, system performance, Key Performance Indicators (KPI), and project outcomes to management

- Develop and maintain documentation and standard operating procedures related to asset management systems
- Evaluate and recommend ways to improve productivity and optimization of asset management systems
- Develop and implement Asset Management standards and practices
- Coordinate updates and corrections to permanent Public Works records utilizing CMMS, GIS, ERP, and related technologies
- Perform related duties as assigned

TYPICAL QUALIFICATIONS

Knowledge of:

- Principles, practices, and techniques of asset management including Geographic Information Systems (GIS), Enterprise Resource Planning (ERP), and Computerized Maintenance Management Systems (CMMS)
- Operations and integration complexities of asset management systems, including data coordination between GIS, ERP, CMMS, and ticketing systems
- Project management methodologies applicable to asset management programs
- Database management, cartographic design, and GIS analysis techniques
- Database design and intermediate database administration of platforms like SQL Server
- Supervisory principles and practices including training, evaluating, and directing technical staff
- Safety standards and practices relevant to asset management operations
- Applicable laws, regulations, and policies governing asset records and data management
- Fleet and mobile equipment management principles and practices

Ability to:

- Plan, supervise, and coordinate the work of technical and field personnel involved in asset management systems
- Analyze and interpret GIS, ERP, and CMMS software effectively
- Manage integration and data synchronization between non-communicating systems such as GIS, ERP, and CMMS ticketing platforms
- Manage multiple projects and budgets, meeting deadlines and shifting priorities as needed
- Resolve complex technical issues related to asset management system operation and data integrity
- Accurately interpret maps, blueprints, construction plans, and technical diagrams
- Develop, maintain, and train staff on asset management software and technologies
- Prepare clear and concise technical reports, documentation, and correspondence

- Communicate effectively orally and in writing with both technical and non-technical stakeholders
- Apply and maintain awareness of safety protocols and workplace hazards related to asset management

EXPERIENCE AND EDUCATION

Experience:

Five (5) years of operational experience in asset management programs, including hands-on experience with work order tracking, preventive maintenance scheduling, and system integration for ticketing solutions.

- Some supervisory or lead experience is preferred.
- Experience with Lucity (Enterprise Asset Management), Tyler Munis, ArcGIS, and computer programming language such as SQL, Java, or Python is highly desirable.

Education:

Possession of a bachelor's degree from an accredited college or university with major coursework in computer science, information systems, cartography, geographic information systems, or related disciplines supporting asset management and operational control systems.

Substitution: Additional years of work experience may substitute for the education requirement above on a year-for-year basis.

LICENSE AND CERTIFICATES

- Possession and maintenance of a valid State of California Driver's License
- Possession of technical certifications related to Geographic Information Systems (GIS), such as Certified GIS Professional (GISP) or ESRI Technical Certification, Asset Management, or Business Analytics is highly desirable.

PHYSICAL REQUIREMENTS

Work is performed indoors, in a standard office environment. Required to sit for long periods of time; talk and hear, in person, in meetings and by telephone; use hands and fingers to operate standard office equipment; frequently required to carry, bend, squat, twist, push, and pull with hands and arms to reach files and safely lift and carry up to 25 pounds occasionally.

In compliance with the Americans with Disabilities Act, the City of Milpitas will provide reasonable accommodation to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the Human Resources Department.

The City of Milpitas is an Equal Opportunity Employer.

Approved by:

City Manager

Date

Human Resources Director

Date



PURCHASING MANAGER

City of Milpitas

Created: 09/2026

EEOC: Officials and Administrators

FLSA: Exempt

Unit: Unrepresented Management

Physical: 1

DEFINITION

Under general direction of the Finance Director or designee, the Purchasing Manager plans, organizes, and directs the centralized purchasing and procurement activities of the City, including the acquisition of materials, supplies, equipment, and services; develops specifications and solicitation documents, including Invitations for Bid, Requests for Proposal, Requests for Qualifications, and Requests for Quotation; directs Citywide contract administration, including the execution of agreements, amendments, and change orders; ensures compliance with the Municipal Code, the California Public Contract Code, and applicable state and federal procurement regulations; administers the City's e-procurement platform and the purchasing and contract functions of the Tyler ERP system; and provides responsible, professional, and technical assistance to the Finance Director in assigned areas of responsibility.

DISTINGUISHING CHARACTERISTICS

This classification is a management-level position within the purchasing series responsible for overseeing and directing the City's centralized purchasing operations and contract administration. The incumbent exercises full supervisory responsibility for assigned staff and independent judgment while applying best practices in public procurement and contract management. The Purchasing Manager is expected to develop and implement policies and procedures, ensure compliance with applicable laws and regulations, and provide procurement-related guidance across the City.

The Purchasing Manager is distinct from the Buyer classification in that the Manager assumes comprehensive managerial duties, including full supervisory responsibilities over assigned staff. This position provides direct management and oversight of the City's procurement and contract administration and activities. In contrast, the Buyer performs more tactical, execution-focused procurement activities, primarily focused on completing purchasing transactions and managing vendor relations without supervisory or broader contract oversight responsibilities. The Purchasing Manager exercises greater independence, handles complex contract and procurement issues, and implements policies and procedures that guide departmental purchasing functions, reflecting a higher level of authority and leadership within the Purchasing Division.

SUPERVISION RECEIVED AND EXERCISED

Receives general direction from the Finance Director or designee.

Exercises direct and indirect supervision over professional, technical, and clerical staff.

EXAMPLES OF DUTIES

Duties may include, but are not limited to, the following:

- Plan, organize and direct the operations of the Purchasing Division, including procurement of materials, supplies, equipment, and services as requested by City departments.
- Establish, maintain, and disseminate Citywide purchasing standards, policies, procedures, guides, and manuals.
- Conduct and administer competitive solicitations in accordance with the City's Municipal Code, the California Public Contract Code, and the California Uniform Public Construction Cost Accounting Act (CUPCCAA).
- Develop and administer solicitations for the purchase of goods and services as requested by City departments.
- Manage contract administration and oversight of City contracts to ensure compliance with executed terms and conditions and regulatory requirements.
- Review contract documents for accuracy, completeness, proper authorization, and regulatory compliance.
- Direct and guide the review of insurance requirements for Citywide contracting; ensure that the required coverage and endorsements are obtained and maintained by Purchasing staff.
- Administer the City's e-procurement platform and the purchasing and contract functions of the Tyler ERP system; establish and maintain system controls, workflows, and user procedures.
- Administer the Citywide procurement card (P-Card) program, including establishing controls, reviewing activity, and ensuring compliance with policy.
- Supervise, train, evaluate, and develop assigned personnel; support staff career development and succession planning within the Purchasing Division.
- Develop and conduct procurement training for City departments on procurement procedures, solicitation methods, and contract administration.
- Provide technical guidance and recommendations to City departments and advise elected officials and City management on procurement matters that are significant, sensitive, or may carry legal implications; identify potential legal issues requiring review by the City Attorney and refer them accordingly;
- Prepare and present staff reports and resolutions for City Council.

- Prepare and administer the Purchasing Division budget.
- Administer and enforce internal controls, segregation of duties, and ethics safeguards that protect the integrity of the centralized procurement function, ensuring fair, open, and competitive practices consistent with law and City policy.
- Coordinate purchasing operations with other City departments and outside agencies, including oversight of delegated procurement activities and coordination of departmental purchasing liaisons.
- Coordinate with Public Works and other City Departments on the procurement of central stores, materials, supplies, and on establishing appropriate stock levels.
- Analyze and improve procurement methods through cooperative and leveraged purchasing, standardization, and value analysis.
- Negotiate with vendors and contractors as needed.
- Oversee the sale, auction, or other disposition of surplus and obsolete equipment, materials, and supplies; promote reuse and recycling; and maximize sales revenue to the City.
- Prepare reports and maintain purchasing records for department management and City officials.
- Perform related duties as assigned.

TYPICAL QUALIFICATIONS

Knowledge of:

- Public procurement principles and practices, market conditions, sources of supply, and commodity markets.
- Federal, state, and municipal purchasing and contract laws and regulations, including the California Public Contract Code, the California Uniform Public Construction Cost Accounting Act (CUPCCAA), and the Milpitas Municipal Code.
- Principles and practices of organization, administration, budget, supervision, and personnel management.
- Procurement techniques and computerized inventory control and materials management systems.
- Enterprise resource planning (ERP) and e-procurement systems and computerized inventory and materials management systems.
- Modern office practices, procedures, and equipment including current software applications for purchasing and contracting.

Ability to:

- Interpret and apply laws, rules, and regulations governing public sector purchasing and contracts.
- Plan, organize, supervise, and evaluate the work of assigned staff.

- Select and negotiate with contractors, vendors, and consultants.
- Analyze, evaluate, and improve purchasing methods and procedures.
- Prepare clear, accurate, and comprehensive reports, proposals, and documentation related to purchasing and contracts.
- Communicate effectively, both orally and in writing, with internal staff, vendors, and external agencies.
- Establish and maintain effective working relationships with employees, management, vendors, and the public.

EXPERIENCE AND EDUCATION

Experience:

Five (5) years of increasingly responsible experience in public sector or governmental purchasing and contract administration, including at least two (2) years of supervisory or lead experience.

Education:

Bachelor's degree from an accredited college or university with major course work in business administration, finance, public administration, or a closely related field. A Master's degree in a related field is highly desirable.

Substitution: Additional years of work experience may substitute for the education requirement above on a year-for-year basis.

LICENSE AND CERTIFICATES

- Possession and maintenance of a valid California Driver's License and a satisfactory driving record, with the ability to travel to various locations within and outside the City as needed.
- A professional certification in public procurement — such as the Certified Public Purchasing Officer (CPPO), the Certified Professional Public Buyer (CPPB), the NIGP Certified Procurement Professional (NIGP-CPP), or an equivalent certification is highly desirable.

PHYSICAL REQUIREMENTS

Essential duties require the following physical abilities and work environment: work is typically performed indoors in a standard office environment; frequent sitting for extended periods; ability to talk and hear in person and by telephone; use of hands and fingers to operate standard office equipment; occasional carrying, bending, squatting, twisting, pushing, and pulling; and the ability to lift and carry up to 25 pounds occasionally. The position may require travel to various locations within and outside the City.

In compliance with the Americans with Disabilities Act, the City of Milpitas will provide reasonable accommodation to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the Human Resources Department.

The City of Milpitas is an Equal Opportunity Employer.

Approved by:

City Manager

Date

Human Resources Director

Date

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING RESOLUTION NO. 1626, THE CLASSIFICATION PLAN, TO ESTABLISH THE CLASSIFICATIONS OF ASSET MANAGEMENT PROGRAM ADMINISTRATOR AND PURCHASING MANAGER, RECLASSIFY THE PURCHASING AGENT POSITION TO PURCHASING MANAGER, AND APPROVE AND ADOPT AN AMENDED PAY SCHEDULE EFFECTIVE SEPTEMBER 1, 2026

WHEREAS, the City of Milpitas has a Classification Plan adopted as Resolution No. 1626 on December 17, 1968, which has been amended from time to time, and is in accordance with the Personnel Rules and Regulations of the City of Milpitas (Resolution No. 792 as amended); and

WHEREAS, amendments to the Classification Plan are necessary to account for changes within the organization, transfer of duties, new job responsibilities, and adjustments to salary ranges; and

WHEREAS, the FY2026-27 Adopted Budget included funding for the addition of one (1) full-time equivalent (FTE) Asset Management Program Administrator position in the Public Works Department, and the reclassification of one (1) FTE Purchasing Agent position to Purchasing Manager in the Finance Department; and

WHEREAS, the Human Resources Department, in conjunction with the Finance and Public Works Departments, has determined that the proposed classifications accurately describe the duties and responsibilities to be performed and that the recommended salary ranges are appropriate based on market and internal equity considerations; and

WHEREAS, the City is required to publish a publicly available approved and adopted pay schedule for all positions within the Classification Plan pursuant to Title 2 of the California Code of Regulations, 2 CCR §570.5; and

NOW THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

- 1) The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
- 2) Resolution No. 1626, as amended, is hereby further amended effective September 1, 2026, as set forth below.

A. APPROVE AND ADOPT THE PAY SCHEDULE “PROJECTED ALL JOB CLASSIFICATIONS/SALARY TABLE EFFECTIVE 09/01/2026”:

Adding the following classifications to the Pay Schedule:

1. Asset Management Program Administrator, with a salary range of - \$129,313.34 to \$181,038.78.
2. Purchasing Manager, with a salary range of \$170,000.00 to \$220,000.00

A pay schedule, that includes but is not limited to Classification (Position), Title, Payrate; Hourly, Bi-Weekly, Monthly and Annual Wage, is attached hereto as Exhibit C (“New Job Classifications/Salary Table effective 08/18/2026”). Exhibit A and B also reflects the new classifications job descriptions.

PASSED AND ADOPTED this _____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian Curtis, City Attorney

Classification	Union Code	Occ Code	Pay Grade	Step A			Step B			Step C			Step D			Step E		
				Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual	Hourly	BiWeekly	Annual
Accountant	50	2101	500	53.36	4,268.94	110,992.44	56.03	4,482.35	116,541.10	58.82	4,705.56	122,344.56	61.77	4,941.94	128,490.44	64.85	5,188.14	134,891.64
Accounting Technician I	50	6104	513	34.75	2,780.15	72,283.90	36.49	2,919.18	75,898.68	38.31	3,065.15	79,693.90	40.23	3,218.40	83,678.40	42.24	3,379.33	87,862.58
Accounting Technician II	50	6105	514	38.23	3,058.15	79,511.90	40.14	3,211.11	83,488.86	42.15	3,371.65	87,662.90	44.25	3,540.27	92,047.02	46.47	3,717.21	96,647.46
Administrative Analyst I	80	2102	801	45.45	3,635.80	94,530.80	-	-	-	-	-	-	-	-	-	59.83	4,786.31	124,444.06
Administrative Analyst II	80	2103	802	50.19	4,015.32	104,398.32	-	-	-	-	-	-	-	-	-	66.06	5,285.08	137,412.08
Administrative Assistant	80	6111	828	43.36	3,468.65	90,184.90	45.53	3,642.08	94,694.08	47.80	3,824.21	99,429.46	50.19	4,015.39	104,400.14	52.70	4,216.15	109,619.90
Asset Mgmt. Program Admin.	80	2131	860	62.17	4,973.59	129,313.34	-	-	-	-	-	-	-	-	-	87.04	6,963.03	181,038.78
Assistant Chief of Police	60	1405	649	121.47	9,717.91	252,665.66	-	-	-	-	-	-	-	-	-	170.06	13,605.06	353,731.56
Assistant City Attorney	60	1113	645	83.24	6,659.20	173,139.20	-	-	-	-	-	-	-	-	-	112.68	9,014.30	234,371.80
Assistant City Manager	60	1104	666	104.45	8,356.01	217,256.26	-	-	-	-	-	-	-	-	-	146.23	11,698.42	304,158.92
Assistant Dir Recr & Comm Svcs	60	1121	659	71.28	5,702.03	148,252.78	-	-	-	-	-	-	-	-	-	99.79	7,982.84	207,553.84
Assistant Engineer	50	2201	502	57.82	4,625.32	120,258.32	60.71	4,856.57	126,270.82	63.74	5,099.39	132,584.14	66.93	5,354.39	139,214.14	70.28	5,622.14	146,175.64
Assistant Finance Director	60	1109	669	75.17	6,013.41	156,348.66	-	-	-	-	-	-	-	-	-	105.24	8,418.97	218,893.22
Assistant Fire Marshal	60	2501	632	96.77	7,741.54	201,280.04	-	-	-	-	-	-	-	-	-	135.48	10,838.16	281,792.16
Assistant Planner	50	2801	503	55.44	4,435.07	115,311.82	58.21	4,656.94	121,080.44	61.11	4,888.95	127,112.70	64.17	5,133.33	133,466.58	67.38	5,390.10	140,142.60
Assistant Pool Manager	70	5609	709	22.66	1,812.80	47,132.80	-	-	-	-	-	-	-	-	-	31.57	2,525.60	65,665.60
Assistant Water Operator	20	7212	221	47.55	3,566.14	92,719.64	49.93	3,744.46	97,355.96	52.42	3,931.67	102,223.42	55.04	4,128.24	107,334.24	57.80	4,334.68	112,701.68
Assistant Water Operator - 40	20	8611	226	47.83	3,826.17	99,480.42	50.22	4,017.68	104,459.68	52.73	4,218.74	109,687.24	55.38	4,430.52	115,193.52	58.15	4,651.95	120,950.70
Associate Civil Engineer	50	2202	504	66.49	5,319.09	138,296.34	69.81	5,585.07	145,211.82	73.30	5,864.34	152,472.84	76.97	6,157.56	160,096.56	80.82	6,465.45	168,101.70
Associate Planner	50	2802	505	63.74	5,099.52	132,587.52	66.94	5,355.19	139,234.94	70.29	5,623.22	146,203.72	73.80	5,903.65	153,494.90	77.48	6,198.73	161,166.98
Budget Manager	80	1115	839	66.25	5,299.89	137,797.14	-	-	-	-	-	-	-	-	-	87.20	6,976.19	181,380.94
Building Inspection Manager	80	3809	848	69.02	5,521.25	143,552.50	-	-	-	-	-	-	-	-	-	83.89	6,711.16	174,490.16
Building Inspector Apprentice	70	8610	770	28.00	2,240.00	58,240.00	-	-	-	-	-	-	-	-	-	35.00	2,800.00	72,800.00
Building Official	60	1804	676	79.91	6,392.43	166,203.18	-	-	-	-	-	-	-	-	-	111.87	8,949.40	232,684.40
Building Permit Technician	50	5801	508	42.33	3,386.76	88,055.76	44.46	3,556.47	92,468.22	46.69	3,734.89	97,107.14	49.01	3,920.93	101,944.18	51.46	4,116.78	107,036.28
Building/NP Inspector	50	3801	507	56.11	4,488.96	116,712.96	58.92	4,713.46	122,549.96	61.86	4,949.08	128,676.08	64.96	5,196.56	135,110.56	68.20	5,456.35	141,865.10
Business Systems Analyst/Dev	80	2119	853	60.58	4,846.79	126,016.54	-	-	-	-	-	-	-	-	-	79.75	6,379.85	165,876.10
Buyer	80	2106	803	45.04	3,602.84	93,673.84	-	-	-	-	-	-	-	-	-	59.28	4,742.46	123,303.96
Case Manager	50	5612	544	37.93	3,034.56	78,898.56	-	-	-	-	-	-	-	-	-	47.34	3,787.06	98,463.56
Chief Fire Enforcement Officer	60	1505	656	79.69	6,374.90	165,747.40	-	-	-	-	-	-	-	-	-	111.56	8,924.86	232,046.36
Chief of Police	60	1402	650	127.54	10,203.49	265,290.74	-	-	-	-	-	-	-	-	-	178.56	14,284.93	371,408.18
City Attorney	60	1112	644	163.46	13,076.92	339,999.92	-	-	-	-	-	-	-	-	-	192.31	15,384.62	400,000.12
City Clerk	60	1101	605	69.07	5,525.82	143,671.32	-	-	-	-	-	-	-	-	-	96.71	7,737.02	201,162.52
City Engineer	60	1201	606	80.58	6,446.07	167,597.82	-	-	-	-	-	-	-	-	-	112.81	9,024.50	234,637.00
City Manager	60	1102	697	153.85	12,308.00	320,008.00	-	-	-	-	-	-	-	-	-	192.31	15,384.80	400,004.80
Code Enforcement Officer	50	5804	515	49.06	3,925.02	102,050.52	51.52	4,121.33	107,154.58	54.10	4,328.27	112,535.02	56.81	4,544.67	118,161.42	59.65	4,771.74	124,065.24
Communications Dispatch Supervr	40	6409	456	63.79	5,103.55	132,692.30	66.98	5,358.72	139,326.72	70.33	5,626.67	146,293.42	73.85	5,908.02	153,608.52	77.54	6,203.42	161,288.92
Communications Dispatcher	40	6408	455	55.24	4,418.84	114,889.84	58.00	4,639.76	120,633.76	60.90	4,871.74	126,665.24	63.94	5,115.28	132,997.28	67.14	5,371.05	139,647.30
Community Service Officer	40	6412	460	47.61	3,808.66	99,025.16	49.99	3,999.11	103,976.86	52.49	4,199.06	109,175.56	55.11	4,409.01	114,634.26	57.87	4,629.48	120,366.48
Councilmember	60	1107	699	20.87	1,672.00	43,082.40	-	-	-	-	-	-	-	-	-	20.87	1,672.00	43,082.40
Crime Analyst	80	2105	809	54.40	4,352.39	113,162.14	-	-	-	-	-	-	-	-	-	71.61	5,729.08	148,956.08
Cross Connection Specialist	20	8626	239	49.43	3,954.49	102,816.74	52.03	4,162.61	108,227.86	54.77	4,381.70	113,924.20	57.65	4,612.31	119,920.06	60.69	4,855.06	126,231.56
Customer Services Supervisor	80	2127	847	52.76	4,220.40	109,730.40	-	-	-	-	-	-	-	-	-	69.44	5,554.97	144,429.22
Deputy City Clerk	80	6102	835	51.81	4,144.42	107,754.92	-	-	-	-	-	-	-	-	-	62.97	5,037.56	130,976.56
Deputy Director of IT	60	1123	679	82.72	6,617.56	172,056.56	-	-	-	-	-	-	-	-	-	105.93	8,474.66	220,341.16
Deputy Fire Chief	60	1504	633	121.94	9,755.03	253,630.78	-	-	-	-	-	-	-	-	-	170.71	13,657.04	355,083.04
Deputy Public Works Director	60	1207	654	80.58	6,446.07	167,597.82	-	-	-	-	-	-	-	-	-	112.81	9,024.50	234,637.00
Digital Media Specialist	80	2121	840	46.87	3,749.30	97,481.80	-	-	-	-	-	-	-	-	-	61.69	4,935.22	128,315.72
Dir of Recr & Community Svcs	60	1208	655	88.96	7,116.82	185,037.32	-	-	-	-	-	-	-	-	-	124.79	9,982.96	259,556.96
Econ Dev Dir & Strat Init	60	1206	653	88.96	7,116.82	185,037.32	-	-	-	-	-	-	-	-	-	124.79	9,982.96	259,556.96
Economic Development Coord	80	8623	852	57.17	4,573.41	118,908.66	-	-	-	-	-	-	-	-	-	70.89	5,670.98	147,445.48
Economic Development Spec	80	8606	850	54.44	4,355.25	113,236.50	-	-	-	-	-	-	-	-	-	65.72	5,257.23	136,687.98
Electrical/Building Inspector	50	3802	511	58.92	4,713.45	122,549.70	61.86	4,949.08	128,676.08	64.96	5,196.55	135,110.30	68.20	5,456.35	141,865.10	71.61	5,729.19	148,958.94
Emergency Services Coordinator	80	2502	836	60.15	4,811.86	125,108.36	-	-	-	-	-	-	-	-	-	79.16	6,333.04	164,659.04
Engineering Aide	50	3201	512	45.98	3,678.31	95,636.06	48.28	3,862.23	100,417.98	50.69	4,055.33	105,43						

Fire Engineer/EMT - 40	10	4515	156	70.17	5,613.28	145,945.28	73.67	5,893.95	153,242.70	77.36	6,188.65	160,904.90	81.23	6,498.09	168,950.34	85.29	6,822.99	177,397.74
Fire Engineer/Paramedic	10	4505	151	56.13	6,286.88	163,458.88	58.94	6,601.23	171,631.98	61.89	6,931.30	180,213.80	64.98	7,277.88	189,224.88	68.23	7,641.77	198,686.02
Fire Prevention Inspector	10	3501	106	80.35	6,427.78	167,122.28	84.36	6,749.18	175,478.68	88.58	7,086.65	184,252.90	93.01	7,440.98	193,465.48	97.66	7,813.04	203,139.04
Fire Protection Engineer	10	3507	110	80.35	6,427.78	167,122.28	84.36	6,749.18	175,478.68	88.58	7,086.65	184,252.90	93.01	7,440.98	193,465.48	97.66	7,813.04	203,139.04
Firefighter/EMT	10	4502	103	47.79	5,352.99	139,177.74	50.18	5,620.66	146,137.16	52.69	5,901.69	153,443.94	55.33	6,196.79	161,116.54	58.09	6,506.63	169,172.38
Firefighter/EMT - 40	10	4516	157	66.91	5,352.99	139,177.74	70.26	5,620.66	146,137.16	73.77	5,901.69	153,443.94	77.46	6,196.79	161,116.54	81.33	6,506.63	169,172.38
Firefighter/EMT Trainee - 40	10	4509	109	57.80	4,624.11	120,226.86	57.80	4,624.11	120,226.86	57.80	4,624.11	120,226.86	57.80	4,624.11	120,226.86	57.80	4,624.11	120,226.86
Firefighter/Paramedic	10	4503	104	53.53	5,995.35	155,879.10	56.21	6,295.13	163,673.38	59.02	6,609.89	171,857.14	61.97	6,940.39	180,450.14	65.07	7,287.42	189,472.92
Fitness Instructor	70	5620	713	35.00	2,800.00	72,800.00	-	-	-	-	-	-	-	-	-	75.00	6,000.00	156,000.00
Fleet Maint Worker I -40	20	8615	230	41.52	3,321.69	86,363.94	43.60	3,488.16	90,692.16	45.78	3,662.30	95,219.80	48.06	3,845.18	99,974.68	50.47	4,037.94	104,986.44
Fleet Maint Worker II - 40	20	8616	231	45.67	3,653.53	94,991.78	47.96	3,836.42	99,746.92	50.35	4,028.06	104,729.56	52.87	4,229.59	109,969.34	55.51	4,440.97	115,465.22
Fleet Maint Worker III - 40	20	8617	232	52.53	4,202.20	109,257.20	55.16	4,412.50	114,725.00	57.91	4,632.63	120,448.38	60.80	4,863.69	126,455.94	63.85	5,107.91	132,805.66
Fleet Maintenance Worker I	20	7207	213	41.52	3,114.09	80,966.34	43.60	3,269.77	85,014.02	45.78	3,433.28	89,265.28	48.07	3,604.88	93,726.88	50.47	3,785.15	98,413.90
Fleet Maintenance Worker II	20	7208	214	45.67	3,425.51	89,063.26	47.96	3,596.75	93,515.50	50.35	3,776.62	98,192.12	52.87	3,965.47	103,102.22	55.52	4,163.66	108,255.16
Fleet Maintenance Worker III	20	7209	215	52.52	3,939.30	102,421.80	55.15	4,136.24	107,542.24	57.91	4,343.03	112,918.78	60.80	4,560.16	118,564.16	63.84	4,788.25	124,494.50
GIS Technician	50	2212	552	57.82	4,625.32	120,258.32	60.71	4,856.57	126,270.82	63.74	5,099.43	132,585.18	66.93	5,354.37	139,213.62	70.28	5,622.16	146,176.16
Hazardous Materials Inspector	10	3502	105	80.35	6,427.78	167,122.28	84.36	6,749.18	175,478.68	88.58	7,086.65	184,252.90	93.01	7,440.98	193,465.48	97.66	7,813.04	203,139.04
Housing Official	60	1120	673	75.17	6,013.41	156,348.66	-	-	-	-	-	-	-	-	-	105.24	8,418.97	218,893.22
Human Resources Analyst I	80	2124	843	45.45	3,635.80	94,530.80	-	-	-	-	-	-	-	-	-	59.83	4,786.31	124,444.06
Human Resources Analyst II	80	2123	842	50.19	4,015.32	104,398.32	-	-	-	-	-	-	-	-	-	66.06	5,285.08	137,412.08
Human Resources Assistant	80	2108	846	32.37	2,589.95	67,338.70	33.99	2,719.35	70,703.10	35.69	2,855.32	74,238.32	37.48	2,998.11	77,950.86	39.35	3,147.98	81,847.48
Human Resources Director	60	1105	613	90.72	7,257.79	188,702.54	-	-	-	-	-	-	-	-	-	127.01	10,160.94	264,184.44
Human Resources Manager	60	1209	677	69.24	5,538.86	144,010.36	-	-	-	-	-	-	-	-	-	96.93	7,754.39	201,614.14
Human Resources Technician	80	2107	816	39.27	3,141.29	81,673.54	41.24	3,299.03	85,774.78	43.29	3,463.25	90,044.50	45.46	3,637.08	94,564.08	47.73	3,818.46	99,279.96
I T Director	60	2113	624	89.53	7,162.32	186,220.32	-	-	-	-	-	-	-	-	-	125.34	10,027.23	260,707.98
I T Manager	80	2116	819	68.42	5,473.52	142,311.52	-	-	-	-	-	-	-	-	-	90.06	7,205.16	187,334.16
I T Technician	50	3101	542	46.00	3,680.08	95,682.08	48.30	3,864.07	100,465.82	50.72	4,057.22	105,487.72	53.25	4,260.09	110,762.34	55.91	4,473.12	116,301.12
Information Technology Analyst	80	2118	831	57.56	4,604.42	119,714.92	-	-	-	-	-	-	-	-	-	75.76	6,060.77	157,580.02
Junior Engineer	50	2203	519	52.56	4,204.80	109,324.80	55.19	4,415.05	114,791.30	57.95	4,635.81	120,531.06	60.84	4,867.59	126,557.34	63.89	5,110.98	132,885.48
Junior Planner	50	2804	520	47.59	3,807.00	98,982.00	49.97	3,997.38	103,931.88	52.47	4,197.22	109,127.72	55.09	4,407.14	114,585.64	57.84	4,627.45	120,313.70
Legal Assistant	60	1124	689	42.53	3,402.58	88,467.08	44.66	3,572.71	92,890.46	46.89	3,751.36	97,535.36	49.24	3,938.91	102,411.66	51.70	4,135.84	107,531.84
Lifeguard	70	5610	710	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	25.77	2,061.60	53,601.60
Maint Worker III - 40	20	8619	234	44.72	3,577.96	93,026.96	46.96	3,757.13	97,685.38	49.31	3,944.87	102,566.62	51.78	4,142.28	107,699.28	54.37	4,349.34	113,082.84
Maintenance Assistant	20	8625	238	27.27	2,181.76	56,725.76	28.56	2,285.14	59,413.64	29.90	2,392.08	62,194.08	31.32	2,505.27	65,137.02	32.79	2,622.92	68,195.92
Maintenance Custodian I	20	8101	203	31.86	2,389.34	62,122.84	33.45	2,508.81	65,229.06	35.12	2,634.28	68,491.28	36.88	2,765.99	71,915.74	38.72	2,904.29	75,511.54
Maintenance Custodian I - 40	20	8107	222	31.86	2,548.65	66,264.90	33.45	2,676.05	69,577.30	35.12	2,809.87	73,056.62	36.88	2,950.38	76,709.88	38.72	3,097.88	80,544.88
Maintenance Custodian II	20	8102	204	35.04	2,628.34	68,336.84	36.80	2,759.72	71,752.72	38.64	2,897.73	75,340.98	40.57	3,042.53	79,105.78	42.60	3,194.70	83,062.20
Maintenance Custodian II - 40	20	8108	223	35.04	2,803.56	72,892.56	36.80	2,943.67	76,535.42	38.64	3,090.90	80,363.40	40.57	3,245.39	84,380.14	42.60	3,407.71	88,600.46
Maintenance Custodian III	20	8103	205	40.30	3,022.52	78,585.52	42.32	3,173.64	82,514.64	44.43	3,332.32	86,640.32	46.65	3,498.95	90,972.70	48.99	3,673.94	95,522.44
Maintenance Custodian III - 40	20	8618	233	40.30	3,224.24	83,830.24	42.32	3,385.21	88,015.46	44.44	3,554.96	92,428.96	46.65	3,732.37	97,041.62	48.98	3,918.55	101,882.30
Maintenance Supervisor	80	6124	858	68.52	5,481.84	142,527.84	-	-	-	-	-	-	-	-	-	83.30	6,663.72	173,256.72
Maintenance Worker I	20	8202	206	35.04	2,628.34	68,336.84	36.80	2,759.72	71,752.72	38.64	2,897.73	75,340.98	40.57	3,042.61	79,107.86	42.60	3,194.70	83,062.20
Maintenance Worker I-40	20	8203	207	35.36	2,829.11	73,556.86	37.12	2,969.65	77,210.90	38.98	3,118.79	81,088.54	40.93	3,274.35	85,133.10	42.98	3,438.50	89,401.00
Maintenance Worker II	20	8204	208	38.55	2,891.14	75,169.64	40.48	3,035.68	78,927.68	42.50	3,187.43	82,873.18	44.62	3,346.83	87,017.58	46.86	3,514.17	91,368.42
Maintenance Worker II-40	20	8205	209	38.89	3,111.27	80,893.02	40.84	3,266.84	84,937.84	42.89	3,430.99	89,205.74	45.02	3,601.56	93,640.56	47.27	3,781.80	98,326.80
Maintenance Worker III	20	8206	210	44.33	3,324.76	86,443.76	46.55	3,491.01	90,766.26	48.87	3,665.56	95,304.56	51.32	3,848.84	100,069.84	53.88	4,041.31	105,074.06
Maintenance Worker/Seasonal	70	8207	760	22.43	1,794.40	46,654.40	-	-	-	-	-	-	-	-	-	31.25	2,500.00	65,000.00
Management Analyst	80	2128	854	60.25	4,820.32	125,328.32	-	-	-	-	-	-	-	-	-	84.37	6,749.94	175,498.44
Marketing Coordinator	50	5614	548	44.67	3,573.53	92,911.78	46.90	3,752.20	97,557.20	49.25	3,939.80	102,434.80	51.71	4,136.79	107,556.54	54.30	4,343.64	112,934.64
Mayor	60	1118	696	26.09	521.88	13,568.88	-	-	-	-	-	-	-	-	-	26.09	521.88	13,568.88
Office Assistant I	50	6108	516	30.22	2,417.61	62,857.86	31.73	2,538.47	66,000.22	33.32	2,665.41	69,300.66	34.98	2,798.64	72,764.64	36.73	2,938.58	76,403.08
Office Assistant II	50	6109	517	33.24	2,659.24	69,140.24	34.90	2,792.16	72,596.16	36.65	2,931.85	76,228.10	38.48	3,078.43	80,039.18	40.40	3,232.29	84,039.54
Office Specialist	50	6110	518	38.23	3,058.11	79,510.86	40.14	3,211.07	83,487.82	42.15	3,371.65	87,662.90	44.25	3,540.27	92,047.02	46.47	3,717.21	96,647.46
PW Division Mgr. - Eng.	60	1127	692	81.20	6,495.60	168,885.60	-	-	-	-	-	-	-	-	-	101.49	8,119.50	211,107.00
PW Division Mgr. - Opr.	60	1126	691	81.20	6,495.60	168,885.60	-	-	-	-	-	-	-	-	-	101.49	8,119.50	211,107.00
PW Division Mgr. - Utl.	60	1128	693	81.20	6,495.60	168,885.60	-	-	-	-	-	-	-	-	-	101.49	8,119.50	211,107.00
Patrol Officer	40	4401	404	60.79	4,862.99	126,437.74	63.83	5,106.14	132,759.64	67.02	5,361.41	139,396.66	70.37	5,629.49	146,366.74	73.89	5,910.93	153,684.18
Patrol Officer Trainee	40	4402	458	59.48	4,758.55	123,722.30	62.45	4,996.39	129,906.14	65.58	5,246.27	136,403.02	68.86	5,508.55	143,222.30	72.30	5,783.92	150,381.92
Payroll Specialist	80	6125	859	41.62	3,329.56	86,568.56	43.70	3,496.05	90,897.30	45.89	3,670.83	95,441.58	48.18	3,854.40	100,214.40	50.59	4,047.05	105,223.30
Plan Check Engineer	50	3807	521	68.04														

Public Services Assistant II	50	6602	525	38.23	3,058.15	79,511.90	40.14	3,211.11	83,488.86	42.15	3,371.64	87,662.64	44.25	3,540.29	92,047.54	46.47	3,717.21	96,647.46
Public Works Director	60	1204	635	93.41	7,472.66	194,289.16	-	-	-	-	-	-	-	-	-	130.77	10,461.76	272,005.76
Public Works Inspector	50	3202	526	56.11	4,488.96	116,712.96	58.92	4,713.46	122,549.96	61.86	4,949.08	128,676.08	64.96	5,196.56	135,110.56	68.20	5,456.35	141,865.10
Public Works Manager	60	1117	648	62.17	4,973.59	129,313.34	-	-	-	-	-	-	-	-	-	87.04	6,963.03	181,038.78
Purchasing Manager	60	1129	695	81.73	6,538.46	170,000.00	-	-	-	-	-	-	-	-	-	105.77	8,461.54	220,000.00
Recreation Administrative Asst	70	5619	712	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	25.77	2,061.60	53,601.60
Recreation Attendant	70	5618	711	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	25.77	2,061.60	53,601.60
Recreation Instructors	70	5607	707	18.82	1,505.60	39,145.60	-	-	-	-	-	-	-	-	-	37.64	3,011.20	78,291.20
Recreation Leader	70	5617	706	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	25.77	2,061.60	53,601.60
Recreation Services Supervisor	80	2601	827	56.71	4,536.45	117,947.70	-	-	-	-	-	-	-	-	-	74.63	5,970.57	155,234.82
Recreation Svcs Assistant I	50	8601	527	19.64	1,571.46	40,857.96	20.63	1,650.01	42,900.26	21.66	1,732.57	45,046.82	22.74	1,819.16	47,298.16	23.88	1,910.16	49,664.16
Recreation Svcs Assistant II	50	8602	528	23.32	1,865.82	48,511.32	24.49	1,959.32	50,942.32	25.72	2,057.24	53,488.24	27.00	2,160.15	56,163.90	28.35	2,268.10	58,970.60
Recreation Svcs Assistant III	50	8603	529	26.81	2,144.74	55,763.24	28.15	2,251.92	58,549.92	29.56	2,364.52	61,477.52	31.03	2,482.73	64,550.98	32.59	2,606.92	67,779.92
Recreation Svcs Assistant IV	50	8604	530	31.45	2,516.34	65,424.84	33.03	2,642.15	68,695.90	34.68	2,774.24	72,130.24	36.41	2,912.97	75,737.22	38.23	3,058.61	79,523.86
Retired Annuitant - Extra Help	70	5107	747	50.00	4,000.00	104,000.00	-	-	-	-	-	-	-	-	-	125.00	10,000.00	260,000.00
Retired Annuitant - Interim	70	5108	748	50.00	4,000.00	104,000.00	-	-	-	-	-	-	-	-	-	125.00	10,000.00	260,000.00
Risk Analyst	80	2130	857	46.87	3,749.30	97,481.80	-	-	-	-	-	-	-	-	-	61.69	4,935.22	128,315.72
SCADA Technician	20	8627	240	50.39	4,031.01	104,806.26	53.04	4,243.18	110,322.68	55.83	4,466.51	116,129.26	58.77	4,701.58	122,241.08	61.86	4,949.04	128,675.04
Senior Accountant	80	2110	829	52.76	4,220.40	109,730.40	-	-	-	-	-	-	-	-	-	69.44	5,554.97	144,429.22
Senior Accounting Technician	50	6106	539	42.05	3,363.97	87,463.22	44.15	3,532.20	91,837.20	46.36	3,708.80	96,428.80	48.68	3,894.28	101,251.28	51.11	4,088.95	106,312.70
Senior Administrative Analyst	80	2112	834	58.27	4,661.58	121,201.08	-	-	-	-	-	-	-	-	-	76.70	6,136.28	159,543.28
Senior Building Inspector	50	3804	531	64.81	5,184.71	134,802.46	68.05	5,444.02	141,544.52	71.45	5,716.18	148,620.68	75.02	6,001.95	156,050.70	78.78	6,302.08	163,854.08
Senior Buyer	80	2129	856	56.00	4,479.68	116,471.68	-	-	-	-	-	-	-	-	-	68.17	5,453.86	141,800.36
Senior Executive Assistant	80	6123	855	50.19	4,015.32	104,398.32	-	-	-	-	-	-	-	-	-	66.06	5,285.08	137,412.08
Senior HR Analyst	80	2122	841	54.41	4,352.42	113,162.92	-	-	-	-	-	-	-	-	-	71.61	5,729.08	148,956.08
Senior Plan Check Engineer	50	3806	534	74.85	5,987.61	155,677.86	78.59	6,287.15	163,465.90	82.52	6,601.23	171,631.98	86.64	6,930.95	180,204.70	90.97	7,277.42	189,212.92
Senior Planner	80	2805	830	67.96	5,437.08	141,364.08	-	-	-	-	-	-	-	-	-	82.61	6,608.98	171,833.48
Senior Public Works Inspector	50	3203	535	64.81	5,184.75	134,803.50	68.05	5,444.02	141,544.52	71.45	5,716.19	148,620.94	75.02	6,001.95	156,050.70	78.78	6,302.08	163,854.08
Senior Public Works Lead	20	8609	225	59.29	4,743.18	123,322.68	62.25	4,980.34	129,488.84	65.37	5,229.36	135,963.36	68.64	5,490.81	142,761.06	72.07	5,765.51	149,903.26
Senior SCADA Technician	20	8628	241	55.43	4,434.12	115,287.12	58.34	4,667.50	121,355.00	61.41	4,913.15	127,741.90	64.65	5,171.74	134,465.24	68.05	5,443.94	141,542.44
Special Project Associate	70	5105	750	20.00	1,600.00	41,600.00	-	-	-	-	-	-	-	-	-	50.00	4,000.00	104,000.00
Sr. Code Enforcement Officer	50	5806	545	57.58	4,606.19	119,760.94	60.44	4,835.59	125,725.34	63.48	5,078.03	132,028.78	66.65	5,332.31	138,640.06	69.98	5,598.37	145,557.62
Sr. City Manager Analyst	60	1125	694	66.85	5,348.08	139,050.08	-	-	-	-	-	-	-	-	-	86.66	6,932.69	180,249.94
Sr. Public Services Assistant	50	5615	549	42.64	3,411.17	88,690.42	44.77	3,581.73	93,124.98	47.01	3,760.81	97,781.06	49.36	3,948.86	102,670.36	51.83	4,146.30	107,803.80
Sr. Special Projects Associate	70	5106	749	50.00	4,000.00	104,000.00	-	-	-	-	-	-	-	-	-	125.00	10,000.00	260,000.00
Staff Assistant	70	5104	745	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	28.57	2,285.60	59,425.60
Student Intern	70	5103	740	18.50	1,480.00	38,480.00	-	-	-	-	-	-	-	-	-	30.00	2,400.00	62,400.00
Water Meter Technician I	20	8104	216	35.04	2,628.23	68,333.98	36.80	2,759.72	71,752.72	38.64	2,897.71	75,340.46	40.57	3,042.53	79,105.78	42.60	3,194.69	83,061.94
Water Meter Technician I -40	20	8620	235	35.05	2,803.66	72,895.16	36.80	2,943.85	76,540.10	38.63	3,090.61	80,355.86	40.56	3,245.02	84,370.52	42.60	3,408.22	88,613.72
Water Meter Technician II	20	8105	217	38.55	2,891.14	75,169.64	40.48	3,035.66	78,927.16	42.50	3,187.41	82,872.66	44.62	3,346.80	87,016.80	46.86	3,514.17	91,368.42
Water Meter Technician II -40	20	8621	236	38.55	3,084.02	80,184.52	40.48	3,238.46	84,199.96	42.49	3,399.45	88,385.70	44.63	3,570.30	92,827.80	46.86	3,748.82	97,469.32
Water Systems Operator	20	7211	219	53.57	4,018.07	104,469.82	56.25	4,218.55	109,682.30	59.07	4,429.89	115,177.14	62.02	4,651.39	120,936.14	65.12	4,883.97	126,983.22
Water Systems Operator - 40	20	8622	237	53.88	4,310.74	112,079.24	56.59	4,526.81	117,697.06	59.42	4,753.59	123,593.34	62.39	4,991.05	129,767.30	65.52	5,241.35	136,275.10

The City pays employees on a bi-weekly basis (every two weeks). Please note that annual amounts are generated using a formula and may not reflect exact totals due to rounding.

Union Code	Union Description
10	IAFF - International Association of Firefighters
20	MEA - Milpitas Employee Association
40	MPOA - Milpitas Police Officers Association
50	Pro-Tech - Milpitas Professional and Technical Group
60	Unrep - Unrepresented
70	Temps - Temporary
80	Mid-Con - UPEC Mid-Mgmt-Confidential Unit



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with CentralSquare Technologies, LLC for Maintenance and Support of the City's Public Safety Computer Aided Dispatch System and Related Software (Staff Contact: Luz Cofresi-Howe, Finance Director, 408-586-3111; and Daniel Nam, Information Technology Director, 408-586-2712)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Authorize the City Manager, or designee, to negotiate and execute an agreement with CentralSquare Technologies, LLC for ongoing maintenance and support of the City's Public Safety Computer Aided Dispatch System and related software with a term of September 1, 2026 through June 30, 2031, a first-year maximum cost of \$143,201, and a total not-to-exceed cost of \$831,464 for the full five-year term, subject to the annual appropriation of funds, with the agreement including a payment for FirstTwo visual intelligence platform services retroactive to July 1, 2026.

BACKGROUND:

A Computer Aided Dispatch (CAD) system is used by public safety dispatchers to log calls and incident details, assign resources, and facilitate communication with first responders. A CAD system is vital for the efficient delivery of police and fire services to the community. Due to the complex nature of the system, routine software updates, maintenance, and support are imperative to ensuring performance and reliable operation.

In 2003, the City of Milpitas competitively evaluated CAD software packages and subsequently selected and entered into an agreement with Trittech Software Systems, Inc. as the best value vendor. Trittech Software Systems, Inc. was acquired by CentralSquare Technologies, LLC (CentralSquare) in 2018.

On July 31, 2026, pursuant to Municipal Code Sections [I-2-3.14](#) (Standardization) and [I-2-3.06](#) (Sole Source Procurement), which allow the Purchasing Agent to award a contract for a specific product without competition after conducting a good faith review, the Purchasing Agent approved a standardization and sole source request for CentralSquare's CAD system and related software through June 30, 2031. The standardization was approved as the Purchasing Agent determined that changing from the current CAD system at this time would impact interoperability with other City systems, would be cost prohibitive for the City in terms of time requirements, available staff resources, and available currently budgeted funds, and would result in a significant impact to public safety operations without sufficient planning. The sole source was approved as the Purchasing Agent determined that CentralSquare, as the software developer and owner of this proprietary software, is the only vendor that provides ongoing software updates, support, and maintenance required to ensure that the software continues to operate efficiently.

On [October 17, 2023](#), the City Council authorized staff to enter into a three-year agreement with CentralSquare for ongoing maintenance and support of the CAD system. That agreement expires on August 31, 2026.

ANALYSIS:

With the current agreement expiring soon, staff negotiated pricing with CentralSquare for a new contract to ensure no interruption in services. In the new contract, staff recommend consolidating the vendor's FirstTwo visual intelligence platform currently used by dispatchers and officers, integrating real-time GPS mapping and other law enforcement intelligence data accessible via a variety of technology devices. The City has previously purchased this platform through a separate contract, but as FirstTwo was recently purchased by CentralSquare, this related platform will be consolidated with the new contract if approved by City Council. The

City's existing FirstTwo agreement expired on June 30, 2026. That agreement will be terminated upon execution of the new agreement, and the City will not make duplicate payments for any period covered by both agreements.

Based on staff negotiations and the City's commitment to a five-year term, the vendor agreed to the following pricing:

Term	Enterprise CAD ¹	% increase over previous term	FirstTwo	Total Not to Exceed ¹
9/1/2025 - 8/31/2026 (last year of current contract) ²	\$145,510			
9/1/2026 - 6/30/2027 (pro-rated for CAD)	\$132,400	9.2% ³		
7/1/2026 - 6/30/2027 ⁴			\$10,800	\$143,201
7/1/2027 - 6/30/2028	\$158,881	0%	\$10,800	\$169,681
7/1/2028 - 6/30/2029	\$160,460	1%	\$10,800	\$171,260
7/1/2029 - 6/30/2030	\$162,055	1%	\$10,800	\$172,855
7/1/2030 - 6/30/2031	\$163,666	1%	\$10,800	\$174,466

1. Amounts are rounded to nearest whole dollar.

2. Vendor provided fixed pricing at the same rate each year of the current contract.

3. This rate is calculated based on a full year's costs even though the amount to be paid is pro-rated for 10 months.

4. FirstTwo services begin two months prior to the recommended start of this contract, and payment will be retroactive to cover the full year beginning July 1, 2026 as the City is already receiving the services. The CAD fees for the first year are pro-rated to co-term with the term of FirstTwo.

Although the increase for the Enterprise CAD system from September 1, 2026 to June 30, 2027 is 9% over the previous year, the vendor agreed to hold that same price for the following year and limited the increase for the last three years of the new contract to 1% per year, which is significantly below the final demand Producer Price Index of 5.5% for the year ending June 2026 and below the range of annual increases the City has seen across comparable public safety software maintenance agreements. The price for the FirstTwo platform will remain fixed each year for the full term of the new agreement at \$10,800 per year. Total maximum costs through June 30, 2027 will be \$143,201, and the total contract not-to-exceed amount for the full five-year term of the new contract is \$831,464, which will be subject to the appropriation of funds after the current fiscal year.

Over the full term, the Enterprise CAD annual rate increases from \$145,510 to \$163,666, an average annual increase of 2.4 percent.

POLICY ALTERNATIVE(S):

Alternative 1: Do not authorize the City Manager, or designee, to negotiate and execute a new agreement.

Pros: The City would not incur the cost for these services.

Cons: The City would have to operate this mission-critical software without ongoing support and maintenance. This would not allow the City to keep the CAD system updated, address security vulnerabilities, and obtain technical support as required, which could significantly affect the efficient delivery of public safety services.

Reason for Not Recommending: The recommended agreement for maintenance and support of the CAD system will help ensure that the system operates reliably to facilitate the City's provision of police and fire services to the community.

PROJECT SCHEDULE/KEY MILESTONES

Following approval of this recommendation, staff will negotiate and execute a new agreement with CentralSquare by September 1, 2026.

FISCAL IMPACT:

Sufficient funds are available in the Information Technology Department's FY2026-27 Adopted Operating Budget (General Fund) to cover the \$143,201 in expenditures under this Agreement for the current fiscal year.

The total not-to-exceed amount for the five-year term is \$831,463. Funding for subsequent fiscal years of the five-year term will be included in the Department's base operating budget request, subject to appropriation by the City Council through the annual budget adoption process.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Waive the Second Reading and Adopt Ordinance No. 38.863 to Amend the Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 Relating to the Regulation of Tobacco Retailers (Staff Contact: Jay Lee, Planning Director, 408-586-3077)
Category:	Consent Calendar-Community Development
Meeting Date:	9/1/2026
Recommendation:	Determine that the ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15183 (Projects Consistent with a Community Plan, General Plan, or Zoning) and, as a separate and independent basis, exempt pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense Exemption); waive the reading beyond the title; and adopt Ordinance No. 38.863 amending the Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 relating to the regulation of tobacco retailers (P-ZA26-0001).

BACKGROUND:

The City has pursued tobacco retail regulation since 2020, when it executed a grant agreement of \$37,560 with the Santa Clara County Public Health Department (PHD) to explore tobacco prevention policies to reduce youth access and exposure to tobacco products. On March 29, 2024, the City was awarded a subsequent grant of \$22,997 from the PHD Tobacco-Free Communities Program specifically to reduce the density of tobacco retailers and their location near schools within the city.

At the [June 10, 2026](#) public hearing, the Planning Commission adopted Resolution No. 26-004 by a vote of 6 Ayes, 0 Noes and 1 Absent, recommending that the City Council approve Zoning Amendment ZA26-0001.

This Ordinance was introduced at the City Council meeting held on [August 11, 2026](#), following a duly noticed public hearing. The proposed Ordinance amends Milpitas Municipal Code Title XIII, Chapters B.6, B.8, C.10, and E.4 to establish buffer requirements for new tobacco retailers, prohibit the sale of flavored tobacco products citywide, require a Minor Conditional Use Permit (MCUP) for accessory tobacco retail sales in the zones where that use is allowed, and prohibit tobacco retailing at pharmacies.

ANALYSIS:

Waiving the second reading is commonplace for ordinances previously considered by the Council and returning for adoption without substantive changes from the initial introduction. No substantive changes have been made to the Ordinance since its introduction on August 11, 2026. The Ordinance is now ready for its second reading and adoption.

The proposed Ordinance addresses specific gaps in local regulation by establishing clear spatial and operational standards for tobacco retailers in Milpitas. There are currently 40 tobacco retailers within the City, the majority of which are liquor stores, gas stations, and grocery stores, with three standalone smoke/tobacco shops. Areas of high concentration of tobacco retailers exist along N. Milpitas Blvd and Dixon Landing Road, north of W. Calaveras Blvd adjacent to I-880, and at E. Calaveras Blvd and S. Park Victoria Dr.

The proposed Ordinance includes the following key amendments to Title XIII of the Milpitas Municipal Code:

- Add Section C.10.225 (Smoke/Tobacco Uses) to Chapter C.10 to establish proximity limits for all tobacco retailers to schools (1,000 feet) and any other tobacco retailer (500 feet), prohibit the sale of

flavored tobacco products, and establish application procedures for Minor Conditional Use Permits and performance standards for all tobacco retailers.

- Amend Table B.6.020-A (Commercial Zones Use Regulations) to add “Retail, Accessory Tobacco Product Sales” as a new use requiring a Minor Conditional Use Permit in the C1, C2, and HS zones, and to include a reference to the new subsection for smoke/tobacco shops.
- Amend Table B.8.020-A (Mixed Use Zones Use Regulations) to add “Retail, Accessory Tobacco Product Sales” as a new use requiring a Minor Conditional Use Permit in the MXD3, NCMU, and TC zones, and to include a reference to the new subsection for smoke/tobacco shops.
- Amend Chapter E.4 to add definitions for “electronic smoking device,” “tobacco accessories or paraphernalia,” “tobacco product,” and “tobacco retailer,” and to amend the existing definition of “smoke/tobacco shop”.
- Prohibit the issuance of any permit authorizing tobacco retailing at a location where the profession of pharmacy is practiced by a licensed pharmacist and prescription drugs are offered for sale.

The Ordinance is consistent with and conforms to the goals and policies of the Milpitas General Plan 2040, specifically Community Health and Wellness Policies CHW 1-1, CHW 7-2, and Action CHW-7e. The Ordinance is also consistent with the Gateway-Main Street Specific Plan and the Milpitas Metro Specific Plan.

POLICY ALTERNATIVE(S):

Not applicable. The Council considered policy alternatives at the time of the first reading on August 11, 2026. This item is presented for second reading and adoption only. No new policy alternatives are presented at this time.

PROJECT SCHEDULE/KEY MILESTONES

The following timeline outlines the key steps for implementation:

- Upon adoption, the ordinance takes effect 30 days after the second reading, in accordance with Government Code Section 36937.
- Following adoption, City staff will finalize educational and informational materials for distribution to all affected businesses.
- Outreach to existing tobacco retailers and other stakeholders will commence immediately after ordinance adoption.
- The Planning Department, in coordination with the IT Department, will update the City's Geographic Information System (GIS) to reflect new buffer zones and eligible retail locations. Concurrently, staff training sessions will be conducted to ensure consistent application of the ordinance and effective permit review.
- The revised permitting process for new tobacco retailers, including the Minor Conditional Use Permit (MCUP) and Conditional Use Permit (CUP) requirements, will be operational within 30 days of the second reading of the ordinance.

FISCAL IMPACT:

The proposed ordinance has a limited fiscal impact on the General Fund. Development and initial implementation costs are covered by grant funding, and ongoing permit review is fee-supported. The City has secured a grant award of \$22,997 from the Santa Clara County Public Health Department to support the development and initial implementation of the Tobacco Retail Buffer Ordinance. Of the \$22,997 awarded, approximately \$17,556 remains unexpended as of July 31, 2026, and the grant term expires December 31, 2026. Remaining grant funds are appropriated in the Planning Department's FY2026-27 budget.

New tobacco retailers seeking to sell accessory tobacco products would be required to obtain a Minor Conditional Use Permit at the adopted in the City's User and Regulatory Fee Schedule, currently \$1,526, which is set to recover the cost of review. Given the limited number of eligible sites under the proposed buffers, no material fee revenue is anticipated. Ongoing administrative and enforcement responsibilities related to the ordinance are expected to be absorbed within existing departmental resources.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

Pursuant to Section 15061(b)(3) of the California Code of Regulations (CEQA Guidelines), the introduction and adoption of this ordinance is not subject to review under CEQA (Common Sense Exemption). As a separate

and independent basis, the project is also exempt from further environmental review under CEQA Guidelines Section 15183 (Project Consistent with Community Plan, General Plan, or Zoning). The Milpitas General Plan 2040 Environmental Impact Report was certified by the City Council on March 9, 2021. There are no project-specific significant effects that are peculiar to the project or its site.

ATTACHMENT(S):

(a) Ordinance No. 38.863

REGULAR

NUMBER: 38.863

**TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS
AMENDING THE MILPITAS MUNICIPAL CODE TITLE XIII,
CHAPTERS B.6, B.8, C.10, AND E.4 RELATING TO THE REGULATION
OF TOBACCO RETAILERS**

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of August 11, 2026, upon motion by Councilmember Hon Lien and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian M. Curtis, City Attorney

RECITALS AND FINDINGS:

WHEREAS, the City of Milpitas, California (the “City”) is a municipal corporation, duly organized under the constitution and laws of the State of California; and

WHEREAS, tobacco use remains the number one preventable cause of death and disease in California, causing nearly 40,000 deaths in California every year. More than 22% of all adult cancer deaths in California are attributable to smoking; and

WHEREAS, in Santa Clara County (“County”), one in eight deaths annually is attributed to smoking-related illness or diseases, such as cancer, heart disease, and respiratory diseases; and

WHEREAS, in 2019-20, 25.3% of Santa Clara County high school students had used a tobacco product and 8.6% used tobacco in the last 30 days. E-cigarettes are the most popular tobacco product, with 23.0% of high school students having used them and 7.7% being current users; and

WHEREAS, in August 2020, the state of California adopted SB 793, which prohibits the sale of most flavored tobacco products. SB 793 specifically provides that a municipality may adopt a stricter local ordinance; and

WHEREAS, in September 2024, the state of California adopted AB 3218, which requires the creation of Unflavored Tobacco List by the California Attorney General to clearly define which products are legally allowed to be sold by retailers, wholesalers, distributors and delivery sellers in California; and

WHEREAS, mentholated and flavored products have been shown to be “starter” products for youth who begin using tobacco, helping to establish tobacco habits that can lead to long-term addiction; and

WHEREAS, studies show that youth believe flavored tobacco products are safer and less addictive than non-flavored varieties; and

WHEREAS, the vast majority of current Santa Clara County teen tobacco users report using a flavored tobacco product (93.1%), with flavored vape and hookah use being the highest (96.3% and 83.4%, respectively); and

WHEREAS, in 2019, more than 86% of Santa Clara County tobacco retailers near schools sold flavored non-cigarette tobacco products, such as e-cigarettes; and

WHEREAS, more than half of Santa Clara County teens who currently vape reported purchasing their own vaping product (52.9 percent), with over 1 in 5 of this group saying they buy them directly from a store. Among those who purchase their vaping products in a store, 71 percent purchased them at a tobacco shop, smoke shop, or vape shop; and

WHEREAS, by selling tobacco products, pharmacies reinforce positive social perceptions of smoking, convey tacit approval of tobacco use, and send a message that it is not so dangerous to smoke; and

WHEREAS, tobacco-free pharmacy sales policies decrease the availability of tobacco products by reducing tobacco retailer density by up to three times compared with communities that do not have such policies; and

WHEREAS, research indicates that the density and proximity of tobacco retailers increase smoking behaviors. In particular, children are more likely to smoke when they live or go to school in neighborhoods with a high density of tobacco retailers; and

WHEREAS, state law prohibits the sale of tobacco products to anyone under the age of 21 and requires all tobacco retailers to be licensed by the Department of Tax and Fee Administration; and

WHEREAS, this ordinance seeks to adopt tobacco prevention strategies that have been shown to reduce youth access and exposure to tobacco products; and

WHEREAS, this ordinance would prohibit new businesses from selling tobacco near schools and reduce tobacco density; and

WHEREAS, this ordinance and the regulations adopted herein are a lawful exercise of the City's zoning and police powers and are necessary for the preservation of the public health, safety, and welfare, including to protect against preventable nicotine deaths and addiction, reduce tobacco related deaths and addiction among the youth and the consequent long-term public health and societal costs associated thereto, encourage responsible tobacco retailing, and discourage the violation of laws and regulations governing the sale of tobacco products; and

WHEREAS, the Planning Commission is an advisory body to the City Council; and

WHEREAS, the City Council is the final authority on General Plan, Specific Plan, and Zoning amendments, including amendments to the Zoning Ordinance; and

WHEREAS, on June 10, 2026, the Planning Commission held a duly noticed public hearing and having duly considered testimony and written materials provided recommended the adoption of this ordinance to the City Council; and

WHEREAS, on August 11, 2026, the City Council held a lawfully-noticed public hearing and after considering all testimony and written materials provided in connection with that hearing introduced this ordinance and waived the reading thereof beyond the title.

NOW, THEREFORE, the City Council of the City of Milpitas does ordain as follows:

SECTION 1. RECORD AND BASIS FOR ACTION

The City Council has duly considered the full record before it, which may include but is not limited to such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the City Council. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XIII, CHAPTER B.6, SECTION B.6.020, TABLE B.6.020-A

Title XIII, Chapter B.6, Section B.6.020, Table B.6.020-A (Commercial Zones Use Regulations) of the Milpitas Municipal Code is hereby amended to read as follows:

Table B.6.020-A: Commercial Zones Use Regulations					
“P” = Permitted Use “MC” = Minor Conditional Use Permit approved by Zoning Administrator required “MCS” = Minor Conditional Use Permit approved by Director required “C” = Conditional Use Permit required “-” = Not Allowed					
Use	CO	C1	C2	HS	Additional Regulations
Commercial Uses					
Adult-Oriented Business	-	-	-	MCS	C.10.040 (Adult-Oriented Businesses)
Animal Care and Services					
Kennel	-	-	C	-	Milpitas Municipal Code Section V-210-11 (Permits for Animal Facilities and Animal Adoption Organizations)
Pet Day Care and Sales	-	P	P	P	
Veterinary Clinic	C	P	P	P	
Veterinary Hospital or Services	-	C	P	P	
Commissary or Catering	P	P	P	P	n/a
Drive-Through Facility	-	C	C	C	Section C.10.090 (Drive-Through Facilities)
Eating and Drinking Establishment					
Bar or Nightclub	-	-	C	C	Section C.10.100 (Eating and Drinking Establishments)
Microbreweries	-	-	MC	MC	
Mobile Food Park	MCS	MCS	MCS	MCS	Section C.10.170 (Mobile Food Vending)
Mobile Food Vending (Individual Vehicle)	P	P	P	P	
Restaurant					
Restaurant, Full Service	C ¹	P	P	P	Section C.10.100 (Eating and Drinking Establishments)
Restaurant, Limited Service	C	P	P	P	
Restaurant with Alcohol Service	-	MC	MC	MC	
Entertainment and Recreation, Commercial					
Commercial Athletic Facility	-	C	MCS	MCS	n/a
Indoor Entertainment	-	-	P	P	n/a
Indoor Sports and Recreation	-	C	P	P	n/a
Outdoor Entertainment	-	-	C	C	n/a
Outdoor Sports and Recreation	-	C	C	C	n/a

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Use	CO	C1	C2	HS	Additional Regulations
Financial Institution					
Bank and Credit Union	P	P	P	P	n/a
Check Cashing Business	-	-	MCS	MCS	n/a
Pawnbroker	-	-	MCS	MCS	n/a
Food and Beverage Retail Sales					
Alcoholic Beverage Sales	C ¹	C	C	C	n/a
Convenience Store	-	C	C	C	n/a
Grocery Store, Large	-	P	P	p	n/a
Grocery Store, Small	-	P	P	p	n/a
Home Occupation	-	-	-	P	Section C.10.130 (Home Occupations)
Hospital	C	-	C	C	n/a
Lodging					
Hotel	-	-	P	P	n/a
Motel	-	-	C	P	n/a
Medical Support Laboratory	P	C	C	C	n/a
Offices					
Business and Professional Office	P	p	p	p	n/a
Medical Office/Clinic	P	P	P	-	n/a
Retail					
Firearms Dealer	-	-	C	C	n/a
Large Format Retail	-	-	P	P	n/a
Nursery and Garden Center	-	-	P	P	n/a
Retail, Limited	MCS	P	P	P	n/a
Retail, Accessory Tobacco Product Sales	-	MCS	MCS	MCS	Section C.10.225 (Smoke/Tobacco Uses)
Retail Store, General Merchandise	-	P	P	p	n/a
Smoke/Tobacco Shop	-	C	C	C	n/a Section C.10.225 (Smoke/Tobacco Uses)
Services					
Business Support Services	-	-	P	P	n/a
Maintenance and Repair Services	-	-	P	P	n/a

Table B.6.020-A: Commercial Zones Use Regulations

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Use	CO	C1	C2	HS	Additional Regulations
Massage Establishment	-	-	MC	MC	Section C.10.160 (Massage Establishments)
Massage Establishment, Accessory	-	-	MCS	MCS	
Personal Services ²	-	P	P	P	n/a
Repair/Cleaning/General Services, Small	-	P	P	P	n/a
Vehicle-Related Uses					
Auto Broker	MCS	MCS	MCS	-	Section C.10.070 (Auto Broker)
Commercial Fueling Facility	-	-	-	C	n/a
Fleet-Based Service	-	-	MCS	P	n/a
Mobile Fueling ³	P/-	P/-	P/-	P/-	Milpitas Municipal Code Chapter V-300 (Fire Code)
Service Station	C	C	P	P	Section C.10.190 (Service Stations and Car Washes)
Vehicle Rental	-	-	P	P	n/a
Vehicle Repair and Maintenance					
Major	-	-	C	MCS	n/a
Minor	-	-	MCS	P	n/a
Vehicle Sales, Limited	-	-	MCS	-	n/a
Vehicle Sales and Leasing	-	-	C	C	n/a
Vehicle Washing	-	-	C	C	Section C.10.190 (Service Stations and Car Washes)
Industrial Uses					
Custom and Artisan Manufacturing	-	-	MCS	-	n/a
Data Center	C	-	-	-	n/a
Mini-Storage or Self-Storage	-	-	C	C	n/a
Recycling Facility					
Collection Facility	-	-	MCS	P	n/a
Public, Institutional, and Recreational Uses					
Child Care					
Child Care Center	MC	MC	MC	MC	Section C.10.140 (Large Family Child Care and Child Care Centers)

Table B.6.020-A: Commercial Zones Use Regulations

“P” = Permitted Use | “MC” = Minor Conditional Use Permit approved by Zoning Administrator required | “MCS” = Minor Conditional Use Permit approved by Director required | “C” = Conditional Use Permit required | “-” = Not Allowed

Use	CO	C1	C2	HS	Additional Regulations
Civic/Government	P	P	P	-	n/a
Community Assembly					
Major	C	C	C	C	n/a
Minor	P	P	P	p	n/a
Community Garden	P	P	P	P	n/a
Educational Institution					
Trade and Vocational School	C	-	P	P	n/a
Farmers' Market	-	MCS	MCS	MCS	Section C.10.120 (Farmers' Markets)
Funeral Parlor and Mortuary	-	-	C	C	n/a
Instruction Services					
Group	MCS	MCS	MCS	MCS	n/a
Private/Small Group	P	P	P	P	n/a
Library/Museum	-	P	P	-	n/a
Park/Playground	P	P	P	P	n/a
Public Utility	-	-	-	C	n/a
Resilience Hub	P	P	P	-	See Subsection C.10.230.D.6 regarding Temporary Resilience Hubs.
Transportation Passenger Terminal/Facility	-	-	C	C	n/a
Wireless Telecommunications Facility	See Section C.10.240 (Wireless Telecommunications Facilities).				
Residential Uses					
Emergency Shelter	-	-	P	P	Section C.10.110 (Emergency Shelters)
Single-Room Occupancy Residences	-	-	-	C	Section C.10.220 (Single Room Occupancy Residences)
Unclassified Uses					
Accessory Use	P	P	P	P	n/a
Parking Lot ⁴	MCS	MCS	MCS	P	n/a
Parking Structure ⁴	C	C	MCS	P	n/a

Table B.6.020-A: Commercial Zones Use Regulations

"P" = Permitted Use | "MC" = Minor Conditional Use Permit approved by Zoning Administrator required | "MCS" = Minor Conditional Use Permit approved by Director required | "C" = Conditional Use Permit required | "-" = Not Allowed

Use	CO	C1	C2	HS	Additional Regulations
Temporary Use	See Section C.10.230 (Temporary Uses and Structures)				

Table Notes:

¹ When intended to serve the occupants and patrons of the primary use and conducted from within the building. Entrance to the use must be provided internally or within the building, and no exterior display of advertising is allowed.

² When located on the ground floor, retail sales of products related to the personal services provided must be offered at the front of the premises near the pedestrian entrance and must comprise at least 10% of the floor area of the business establishment.

³ Mobile fueling is permitted when fueling service is ordered by an individual vehicle owner and the amount of fuel dispensed as part of any individual order does not exceed 50 gallons. Mobile fueling for fleet vehicles is not permitted.

⁴ Applies to parking lots or structures that are primary uses, as defined in Part XIII-E (Definitions).

SECTION 3. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XIII, CHAPTER B.8, SECTION B.8.020, TABLE B.8.020-A

Title XIII, Chapter B.8, Section B.8.020, Table B.8.020-A (Mixed Use Zones Use Regulations) of the Milpitas Municipal Code is hereby amended to read as follows:

Table B.8.020-A: Mixed Use Zones Use Regulations

"P" = Permitted Use | "MC" = Minor Conditional Use Permit approved by Zoning Administrator required | "MCS" = Minor Conditional Use Permit approved by Director required | "C" = Conditional Use Permit required | "-" = Not Allowed

Use	MXD	MXD3	NCMU 1, 2, 3	TC 1, 2, 3	Additional Regulations

Commercial Uses**Animal Care and Services**

Pet Day Care and Sales	MCS	MCS	-	P	Milpitas Municipal Code Section V-210-11 (Permits for Animal Facilities and Animal Adoption Organizations)
Veterinary Clinic	P	P	-	P	
Commissary or Catering	MCS	MCS	-	P	n/a
Drive-Through Facility	-	-	-	C	Section C.10.090 (Drive-Through Facilities)

Eating and Drinking Establishment

Bar or Nightclub	C	C	C	C	Section C.10.100 (Eating and Drinking Establishments)
Microbreweries	MC	MC	MC	MC	
Mobile Food Park	MCS	MCS	-	MC	Section C.10.170 (Mobile Food Vending)
Mobile Food Vending (Individual Vehicle)	P	P	P	P	

Restaurant

Table B.8.020-A: Mixed Use Zones Use Regulations

“P” = Permitted Use | “MC” = Minor Conditional Use Permit approved by Zoning Administrator required | “MCS” = Minor Conditional Use Permit approved by Director required | “C” = Conditional Use Permit required | “-” = Not Allowed

Use	MXD	MXD3	NCMU 1, 2, 3	TC 1, 2, 3	Additional Regulations
Restaurant, Full Service	P	P	P	P	Section C.10.100 (Eating and Drinking Establishments)
Restaurant, Limited Service	P	P	P	P	
Restaurant with Alcohol Service	P	P	P	P	
Entertainment and Recreation, Commercial					
Commercial Athletic Facility	P	P	MCS ¹ / P	P	n/a
Indoor Entertainment	C	C	C	C	n/a
Indoor Sports and Recreation	C	C	C	C	n/a
Outdoor Entertainment	C	C	C	C	n/a
Outdoor Sports and Recreation	C	C	C	C	n/a
Financial Institution					
Bank and Credit Union	P	P	P	P	n/a
Check Cashing Business	MCS	MCS	-	-	n/a
Pawnbroker	C ²	C ²	-	-	n/a
Food and Beverage Retail Sales					
Alcoholic Beverage Sales	C	C	C	C	n/a
Convenience Store	MCS	MCS	MCS	MCS	n/a
Grocery Store, Large	MCS	MCS	C ³	C ³	n/a
Grocery Store, Small	P	P	P ³	P ³	n/a
Home Occupation	P	P	P	P	Section C.10.130 (Home Occupations)
Hospital	C ²	C ²	-	C	n/a
Lodging					
Bed and Breakfast	P	P	-	-	n/a
Hotel	P	P	C	P	n/a
Motel	P	P	-	-	n/a
Short-Term Rental	See C.10.190 (Short-Term Rentals)				
Medical Support Laboratory	P	P	-	C	n/a
Office					
Business and Professional Office	P ⁴	P ⁴	C	P	n/a
Medical Office/Clinic	P	P	P / MCS ⁵	P	n/a
Retail					
Large Format Retail	C	C	-	C	n/a

Table B.8.020-A: Mixed Use Zones Use Regulations

“P” = Permitted Use | “MC” = Minor Conditional Use Permit approved by Zoning Administrator required | “MCS” = Minor Conditional Use Permit approved by Director required | “C” = Conditional Use Permit required | “-” = Not Allowed

Use	MXD	MXD3	NCMU 1, 2, 3	TC 1, 2, 3	Additional Regulations
Retail, Limited	P ⁴	P ⁴	P	P	n/a
Retail, Accessory Tobacco Product Sales	-	MCS	MCS	MCS	Section C.10.225 (Smoke/Tobacco Uses)
Retail Store, General Merchandise	P ⁴	P ⁴	P	P	n/a
Smoke/Tobacco Shop	-	-	C	C	n/a Section C.10.225 (Smoke/Tobacco Uses)
Services					
Business Support Services	P ⁴	MCS ⁴	MCS	MC	n/a
Massage Establishment	MC	MC	MC	MC	Milpitas Municipal Code III-6 (Massage Establishments and Practitioners); Section C.10.160 (Massage Establishments)
Massage Establishment, Accessory	MCS	MCS	MCS	MCS	
Personal Services ⁶	P ⁴	P ⁴	P	P	n/a
Repair/Cleaning/General Services, Small	P ⁴	P ⁴	MC	P	n/a
Vehicle-Related Uses					
Auto Broker	MCS	MCS	-	MCS	Section C.10.070 (Auto Broker)
Fleet-Based Service	-	-	-	C	n/a
Mobile Fueling	P/- ⁷	P/- ⁷	P/- ⁷	P/- ⁷	Milpitas Municipal Code Chapter V-300 (Fire Code)
Service Station	C	C	-	C	Section C.10.190 (Service Stations and Car Washes)
Vehicle Rental ⁸	MCS	MCS	-	-	n/a
Vehicle Sales, Limited	MCS	MCS	-	MCS	n/a
Vehicle Sales and Leasing ⁸	C	C	-	-	n/a
Industrial & Research and Development Uses					
Custom and Artisan Manufacturing	MCS	MCS	MCS	MCS	n/a
Public, Institutional, and Recreational Uses					
Child Care					
Child Care Center	MC	MC	C	C	Section C.10.140 (Large Family Child Care and Child Care Centers)

Table B.8.020-A: Mixed Use Zones Use Regulations

“P” = Permitted Use | “MC” = Minor Conditional Use Permit approved by Zoning Administrator required | “MCS” = Minor Conditional Use Permit approved by Director required | “C” = Conditional Use Permit required | “-” = Not Allowed

Use	MXD	MXD3	NCMU 1, 2, 3	TC 1, 2, 3	Additional Regulations
Large Family Child Care Home	P	P	P	P	Section C.10.140 (Large Family Child Care and Child Care Centers)
Small Family Child Care Home	P	P	P	P	n/a
Community Assembly					
Major ⁹	C ²	C ²	C	C	n/a
Minor ⁹	MCS ²	MCS ²	MC	MC	n/a
Community Garden	P	P	P	P	n/a
Educational Institutions					
College/University, Private	C ²	C ²	-	C	n/a
School, Private	C ²	C ²	C	C	
Trade and Vocational School	C ^{2, 10}	C ^{2, 10}	-	C	n/a
Farmers’ Market	MCS	MCS	MC	MC	Section C.10.120 (Farmers’ Market)
Instruction Services					
Group	P	-	P	P	n/a
Private/Small Group	P	P	P	P	n/a
Park/Playground	P	P	P	P	n/a
Public Utility	C	C	C	C	n/a
Resilience Hub	P	P	P	P	See Subsection C.10.230.D.6 regarding Temporary Resilience Hubs.
Transportation Passenger Terminal/Facility	C	C	-	C	n/a
Wireless Telecommunications Facility	See Section C.10.240 (Wireless Telecommunications Facilities)				
Residential Uses					
Accessory Dwelling Unit and Junior Accessory Dwelling Unit	P	P	P	P	Section C.10.030 (Accessory Dwelling Units and Junior Accessory Dwelling Units)
Boarding House	C	C	C	C	n/a
Court Dwelling	P	P	-	-	n/a
Elderly and Long-Term Care	MC	MC	MC	MC	n/a
Emergency Shelter	-	P	-	-	Section C.10.110 (Emergency Shelters)
Group Living Accommodation	C	C	C	C	n/a

Table B.8.020-A: Mixed Use Zones Use Regulations

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Use	MXD	MXD3	NCMU 1, 2, 3	TC 1, 2, 3	Additional Regulations
Live-Work Unit	MCS	MCS	MCS	MCS	Section C.10.150 (Live-Work Units)
Low Barrier Navigation Center	P	P	-	-	California Government Code § 65660
Multi-Family Dwelling	P	P	P ¹¹	P	n/a
Residential Care Facility	P	P	P	P	n/a
Single-Room Occupancy Residences	P	P	P	P	Section C.10.220 (Single Room Occupancy Residences)
Supportive Housing	P	P	P ¹¹	P	California Government Code § 65582
Transitional Housing	P	P	P ¹¹	P	California Government Code § 65582
Unclassified Uses					
Accessory Use	P	P	P	P	n/a
Parking Lot ¹²	MCS	MCS	-	-	n/a
Parking Structure ¹²	MCS	MCS	MCS	MCS	n/a
Temporary Use	See Section C.10.230 (Temporary Uses and Structures)				

Table Notes:

¹ Commercial athletic facilities may be permitted with approval of a Minor Conditional Use Permit (Director level) in the NCMU1 subzone, in accordance with Subsection D.4.030 (Use Permits), and are permitted in the NCMU2 and NCMU3 subzones.

² These uses shall not be located within 1,000 ft of the same use.

³ In the NCMU and TC zones only, small grocery stores up to 15,000 square feet are permitted and grocery stores exceeding 15,000 square feet may be permitted subject to approval of a Conditional Use Permit consistent with Subsection D.4.030 (Use Permits). In all other zones, small and large grocery stores are defined and permitted according to the size thresholds stated in Chapter E.4 (Definitions of Uses).

⁴ These uses may be allowed provided they are: no more than 10,000 sf in gross floor area if located on the ground floor and are not open past 10:00 p.m.

⁵ Medical offices and clinics are permitted in the NCMU Zones when located on upper floors, and may be permitted with approval of a Minor Conditional Use Permit (Director level) in accordance with Subsection D.4.030 (Use Permits) when located on the ground floor.

⁶ When located on the ground floor, retail sales of products related to the personal services provided shall be offered at the front of the premises near the pedestrian entrance and shall comprise at least 10% of the floor area of the business establishment.

⁷ Mobile fueling is permitted when fueling service is ordered by an individual vehicle owner and the amount of fuel dispensed as part of any individual order does not exceed 50 gallons. Mobile fueling for fleet vehicles is not permitted.

⁸ Excluding long-term parking and storage of vehicles for rent, sale, or lease, must be fully enclosed within a building.

⁹ Churches and religious institutions are permitted in any location within the MXD, MXD3, NCMU, and TC Zones.

¹⁰ Trade and vocational schools may be permitted subject to approval of a Conditional Use Permit consistent with Subsection D.4.030 (Use Permits), provided that they are not found objectionable due to noise, odor, vibration or other similar factors related to health, safety and welfare.

¹¹ Spaces serving upper-floor residential uses, such as common gathering space, lobby, and resident services, may be allowed as ground floor uses where residential uses would otherwise not be permitted.

¹² Applies to parking lots or structures that are primary uses, as defined in Part XIII-E (Definitions).

SECTION 4. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XIII, CHAPTER C.10

Title XIII, Chapter C.10 of the Milpitas Municipal Code is hereby amended to add section C.10.225 Smoke/Tobacco Uses to Chapter C.10 Specific to Uses and reads as follows:

- A. Purpose. The purpose of this Section is to encourage responsible retailing of tobacco products and protect the public health, safety, and welfare by regulating the establishment, location, and operation of tobacco retailers.
- B. Definitions. Terms used in this Section are defined in Chapter E.2 (Definitions of Terms) and Chapter E.4 (Definitions of Uses).
- C. Location and Distance Requirements.
 - 1. No tobacco retailer shall be allowed:
 - a. Within 1,000 feet of any school; or
 - b. Within 500 feet of any other tobacco retailer.
 - 2. The distance between any two tobacco retailer premises shall be measured in a straight line, without regard to intervening structures or objects, from the nearest entrance of a tobacco retailer to the nearest entrance of the second tobacco retailer. The distance between any tobacco retailer and any school shall also be measured in a straight line, without regard to intervening structures or objects, from the nearest entrance of the tobacco retailer to the nearest property line of a school.
- D. Exemption to Location and Distance Requirements. The prohibitions on location and distance contained in Subsection C.10.225.C shall not apply to the following:
 - 1. Any tobacco retailer operating lawfully under the Milpitas Municipal Code on the date immediately prior to this Section first becoming effective.
 - 2. Any tobacco retailer operating lawfully under the Milpitas Municipal Code is not in violation of these regulations by the subsequent establishment of a school or another tobacco retailer.
 - 3. Tobacco retailers operating under these exemptions shall be a nonconforming use that may not be continued, expanded, changed, or replaced except in conformity with Section C.18.030 (Nonconforming Uses). These exemptions do not apply to tobacco retailers whose nonconforming use is discontinued under Subsection C.18.030.A.2 (Discontinuation of Nonconforming Use). Tobacco retailers operating under these exemptions may not expand the nonconforming use under Subsection C.18.030.A.5 (Expansion of Nonconforming Use) or re-establish that use once discontinued under Subsection C.18.030. B (Re-establishment of Discontinued Nonconforming Uses Within the Midtown and Metro Specific Plan Areas).

E. Other prohibitions.

1. Flavored tobacco products.

- a. No person or entity shall sell a tobacco product containing, as a constituent or additive, an artificial or natural flavor or aroma (other than tobacco) or an herb or spice, including but not limited to strawberry, grape, orange, clove, cinnamon, pineapple, vanilla, coconut, licorice, cocoa, chocolate, cherry, mint, menthol, or coffee, that is a characterizing flavor or aroma of the tobacco product, smoke, or vapor produced by the tobacco product. Prohibited flavored tobacco products also include all tobacco products or flavor enhancements otherwise prohibited by applicable law, including Section 104559.5 of the California Health and Safety Code, as it may be amended or superseded, and any tobacco product not appearing on the most current Unflavored Tobacco List maintained by the California Attorney General's Office.
- b. A tobacco product shall be subject to a rebuttable presumption that the product is prohibited by paragraph (a) of this subsection if:
 1. The product's manufacturer or any other person associated with the manufacture or sale of tobacco products makes or disseminates public statements or claims to the effect that the product has or produces a characterizing flavor or aroma, other than tobacco; or
 2. The product's label, labeling, or packaging includes a statement or claim—including any text and/or images used to communicate information—that the product has or produces a characterizing flavor or aroma, other than tobacco.

F. Application Procedure.

1. Minor Conditional Use Permit. The owner of a retail store, general merchandise or retail, limited store may sell tobacco products, subject to approval of a Minor Conditional Use Permit (Director review) pursuant to Subsection D.4.030.D (Use Permits – Authority).
2. Conditional Use Permit. The owner of a smoke/tobacco shop business must apply for and obtain a Conditional Use Permit before operating the business establishment. The Conditional Use Permit is subject to the provisions and issued in accordance with the Conditional Use Permit process in Section D.4.30 (Use Permits).

G. Additional eligibility requirements.

1. No permit may be issued to authorize retailing tobacco products at or from other than a fixed location. For example, retailing by persons on foot or from vehicles is prohibited.
2. No permit may be issued to authorize the retail of tobacco products at a temporary or recurring temporary event. For example, retailing at flea markets and farmers' markets is prohibited.
3. No permit may be issued to authorize retailing tobacco products at any location where the profession of pharmacy is practiced by a pharmacist licensed by the State in accordance with the Business and Professions Code and where prescription drugs are offered for sale.

H. General Standards. The following standards shall apply to all tobacco retailers.

1. Tobacco retailers shall not:

- a. Violate any local, state, or federal law applicable to tobacco products or the retailing of such tobacco products.
- b. Fail to possess and maintain in a presently valid condition all licenses, permits, and approvals otherwise necessary for their use or otherwise necessary in order to sell tobacco products in the State, including, as applicable, a Cigarette and Tobacco Product Retailer's License from the California Department of Tax and Fee Administration.
- c. Allow or tolerate smoking or the use of electronic smoking devices in places where smoking is prohibited, including within the retail outlet or area where the tobacco retailer is located and within workplaces or enclosed places.
- d. Cover more than 15 percent of the square footage of the windows and clear doors of a physical storefront used for tobacco retailing with any type of advertising or signs.
- e. Sell or distribute tobacco products to anyone prohibited by applicable law from purchasing such products, including persons under the age of 21.
- f. Sell or distribute a tobacco product without first examining identification to confirm that the age of the purchaser is at least the minimum age required under state law to purchase and possess the tobacco product.

2. Tobacco retailers shall:

- a. Post conspicuously, at each point of purchase, a clear and prominent notice stating that selling Tobacco Products to anyone under 21 years of age is illegal and subject to penalties.
- b. Post conspicuously clear and prominent notice at each entrance to the building or structure stating "No smoking" where smoking is prohibited throughout the building or "Smoking is prohibited except in designated areas" where smoking is permitted only in designated areas of the building or structure.

I. Violation of Regulations. Violation of any provision of this Section is a public nuisance and injurious to the public health, safety, and welfare and in addition to all other remedies allowed by applicable law, including this Code, is grounds for enforcement action including modification, revocation, or suspension of any underlying use permit in accordance with Chapter D.18 (Enforcement and Penalty).

SECTION 5. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE XIII, CHAPTER E.4

Title XIII, Chapter E.4 (Definitions of Use) of the Milpitas Municipal Code is hereby amended to read as follows:

Chapter E.4 Definitions of Uses

This Chapter provides definitions for all uses established in the use tables in Part XIII-B (Zone Regulations).

Accessory Dwelling Unit (ADU). As defined by California Government Code section 66313, an ADU is an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. An ADU also includes an efficiency unit as defined in California Health and Safety Code section 17958.1 and a manufactured home as defined by California Health and Safety Code section 18007.

Accessory Dwelling Unit, Junior (JADU). A type of accessory dwelling unit defined by California Government Code section 66313 as a residential unit that is consistent with the following:

- Is no more than 500 square feet in size;
- Is contained entirely within an existing or proposed single-family structure;
- Includes its own separate sanitation facilities or shares sanitation facilities with the existing or proposed primary dwelling; and
- Includes an efficiency kitchen.

Accessory Use. A use that is customarily associated with, and is incidental and subordinate to, the primary use and located on the same lot as the primary use.

Adult-Oriented Business. See "adult-oriented business terms" in Chapter E.2 (Definitions of Terms).

Advanced Manufacturing. The use of innovative technologies to create existing and new products or to improve products and processes. Advanced manufacturing focuses on the rapid transfer of science and technology into production activities and may incorporate high technology elements such as information, automation, computation, software, sensing, artificial intelligence, machine learning, and networking. Advanced manufacturing may include storage space for raw materials and/or finished goods that actively supports the primary use.

Agriculture. See "cultivated agriculture."

Agricultural Processing Plant, Commercial. Facility that transforms, processes, and packages livestock or livestock products, or agricultural commodities, into goods that are used for intermediate or final consumption including goods for nonfood use. Includes animal slaughter.

Agricultural Supply Sales. An establishment or place of business primarily engaged in the retail or wholesale sale from the premises of farm supply, feed, grain, fertilizers, pesticides, and similar goods as well as the provision of agriculturally related services with incidental storage on a lot other than where the service is rendered.

Alcoholic Beverage Sales. Any beverage sales use that includes the sale of alcoholic beverages for off-premise consumption. This includes retail sales of liquor, beer, wine, and spirits and can be combined with a retail sales establishment such as a grocery store or convenience store, or it can be a stand-alone liquor store or wine shop.

Animal Husbandry. The care and raising of large livestock, including horses, cattle, swine, goats, sheep, alpacas, and similar animals. This includes any animal-related production uses incidental to the foregoing, such as grazing, grooming, shearing, and milking, but excludes animal slaughter, meat cutting and packing, stockyards or the commercial feeding of garbage or offal to swine or other animals.

Assembly. See "community assembly".

Auto Broker. An auto dealer or auto buying service as defined in California Vehicle Code section 166, who engages in the business of arranging, negotiating, assisting, or effectuating the purchase of a new or used motor vehicle, not owned by the dealer, on behalf of another. This use is limited to office work and does not include storage or parking of vehicles onsite.

Bank and Credit Union. Financial institutions, including federally-chartered banks, savings associations, industrial loan companies, and credit unions that provide retail banking services to individuals and businesses. Includes only those institutions engaged in the on-site circulation of money, and whose deposits are insured by the state or federal government and/or a state or federal sponsored entity, including credit unions.

Bar or Nightclub. Businesses serving beverages for consumption on the premises as a primary use, including serving alcohol such as beer, wine, and spirits. Dancing and live entertainment may also be conducted within the establishment. This use does not include microbreweries. See “food preparation” for tasting rooms that are accessory and subordinate to a brewery, winery, or distillery.

Bed and Breakfast. A residential property with one or more bedrooms dedicated to rental for a fee for overnight lodging of periods of 30 consecutive days or fewer and where meals may be provided to guests. A bed and breakfast is typically either owner-occupied or has the manager or proprietor of the lodging business living on the premises. This use type excludes short-term rentals.

Boarding House. An establishment where housing is provided for compensation, generally for stays of more than 30 days, for up to eight persons. Boarding houses typically have individual rooms for guests, shared bathroom facilities, and a single common kitchen. Meals may be served for guests and included as part of the cost of lodging.

Breweries, Distilleries, and Wineries. An establishment engaged in the brewing, distilling, and production of beer, wine, or other spirits. Tasting rooms that are accessory and subordinate to a brewery, winery, or distillery may be included in this use. This use does not include microbreweries.

Business and Professional Office. Offices of firms or organizations providing professional, executive, business, management, or administrative services, including but not limited to accounting, architectural, computer software design, engineering, consulting, graphic design, insurance, interior design, real estate, legal, and tax preparations offices. Also includes co-working spaces designed to accommodate individuals and organizations that provide such services.

Business Support Services. Establishments primarily within structures that provide other businesses with ancillary services that further or facilitate the other businesses' primary activity, including but not limited to commercial art and design (production); copying and quick-printing services; equipment rental businesses within structures; janitorial services; mailbox rentals; mail advertising services (reproduction and shipping); outdoor advertising services; protective services (other than office-related); rental, repairs and distribution of office or business equipment; and window cleaning.

Caretaker's Residence. A dwelling unit occupied by employees or caretakers of the primary use on the site.

Cemetery. Land used for the burial of the dead and dedicated for cemetery purposes, including crematories, mausoleums, and mortuaries only when operated in conjunction with and within the boundary of such cemetery.

Check Cashing Business. Establishments that, for compensation, engage in the business of cashing checks, warrants, drafts, money orders, or other commercial paper serving the same purpose. This classification also includes the business of deferred deposits, whereby the check casher refrains from depositing a personal check written by a customer until a specific date pursuant to a written agreement as provided in Civil Code section 1789.33. Check cashing businesses do not include state or federally chartered banks, savings associations, credit unions, or industrial loan companies. They also do not include retail sellers engaged primarily in the business of selling consumer goods, such as consumables to retail buyers, that cash checks or issue money order incidental to their main purpose or business.

Child Care Center. Establishments providing non-medical care for children on a less than 24-hour basis other than large/small family child care homes. This classification includes licensed nursery schools, preschools, and day care facilities for children, and any other day care facility licensed by the State of California. This use does not include after school program, summer camp, and tutoring facilities.

Civic/Government. Governmental facilities not otherwise included in other land use types, such as court facilities and post offices, together with storage and maintenance of City and public agency vehicles.

Collection Facility. A center for the acceptance, by donation, redemption, or purchase, of recyclable materials from the public where limited sorting and storing of such items is conducted on-site.

College/University, Private. A private college or university, excluding trade or vocational schools.

Commercial Athletic Facility. A facility for physical fitness training or athletic type games and sports, such as but not limited to, health clubs, tennis, gymnasiums, handball courts, racquetball courts; also including ancillary uses when incidental to the primary use, such as but not limited to, steam baths, weight training, aerobic classes, massage, saunas, and the retailing of athletic supplies to be used in the facility.

Commercial Fueling Facility. See “fueling facility, commercial”.

Commissary or Catering. A fixed-location kitchen where food is stored and prepared for off-site vending or delivery. Commissaries may include shared-use commercial kitchens, private commercial kitchens, restaurant kitchens, and kitchens associated with civic and community organizations such as churches or social clubs. Also, includes catering service establishments.

Community Assembly. A facility for public or private meetings including clubs and lodges, community centers, senior centers, religious assembly facilities, convention centers, civic and private auditoriums, union halls, meeting halls for clubs and other membership organizations. This includes functionally related facilities for the use of members and attendees such as kitchens, multi-purpose rooms, and storage. It does not include gymnasiums or other sports facilities (see indoor sports and recreation) or facilities such as day care centers and schools, which are separately defined.

Major. Community assembly use that is over 2,000 gross square feet and has capacity for more than 200 seats.

Minor. Community assembly use that is 2,000 gross square feet or less and has capacity for no more than 200 seats.

Community Garden. Use of land for the cultivation, growing and harvesting of vegetables, herbs, flowers, and fruits, including the cultivation and tillage of soil and the production, cultivation, growing, and harvesting of any agricultural, floricultural, or horticultural commodity.

Community gardens are typically owned and operated by public or non-profit agencies, and each garden plot is used and kept by an individual or a household. Excludes animal keeping or animal husbandry.

Construction Yard and Equipment Rental. Storage of construction materials or equipment on a site other than a construction site. Includes rental of large construction equipment and machinery. This classification may include parking/storage of contractor vehicles.

Convenience Store. A retail establishment selling food, beverages, and small convenience items such as personal hygiene products, cigarettes, magazines, and other everyday consumer items. Food and beverage products sold primarily consist of packaged and canned goods, prepared foods and hot drinks for immediate consumption, fountain beverages, etc., with less than 10 percent of net retail floor area allocated for the sale of fresh fruits, fresh vegetables, fresh meat and dairy products, and other similar perishable items. Convenience stores are smaller in floor area than supermarkets/grocery stores (typically 4,000 square feet or less) and have long or late hours of operation (open before 7:00 a.m. or after 10:00 p.m.).

Correctional Facility. A facility where people are held, generally as punishment for various crimes. This includes the detention/incarceration of people awaiting trial and/or who have been convicted of civil or criminal offenses; inmates and detainees under 24-hour supervision by the California Department of Corrections and Rehabilitation; and juvenile detention facilities. This use also includes parole offices.

Court Dwelling. See “dwelling, court”.

Cultivated Agriculture. The planting, growing, and harvesting of crops or plants, or the preparation of land for this purpose, of more than one-half acre of land for viticulture, horticulture, pasturage, floriculture, or similar farming where a crop or final product is produced (but not necessarily offered for sale) for consumption. This use excludes community gardens.

Custom and Artisan Manufacturing. An establishment primarily engaged in on-site production of goods by hand manufacturing or artistic endeavor, which involves only the use of hand tools or small mechanical equipment and the incidental direct sale to consumers of only those goods produced on site. Includes, but is not limited to metalworking, pottery and ceramic studios, film processing, photo finishing, printmaking, lithography, glass furnace, or woodworking.

Data Center. A facility dedicated to the storage of computer and information technology systems and associated components for the storage, retrieval, and transmittal of electronic information.

Drive-Through Facility. A motor vehicle drive-through facility which is a commercial building or structure or portion thereof which is designed and/or used to provide goods and services to drivers while they remain seated in their vehicles. It includes, but is not limited to, banks and other financial institutions, fast food establishments, and pharmacies, but shall not include drive-in movies, service stations, or car wash operations.

Dwelling, Court. A residential development in which there are several freestanding single-family or two-family dwellings with separate walls clustered on a single lot. Units are typically arranged to face around a common open space or drive aisle. If subdivided, a maintenance agreement or homeowners association may govern common areas like driveways or open space.

Dwelling, Multi-Family. A building containing three or more dwelling units.

Dwelling, Single-Family. A dwelling unit designed for occupancy by one household, where all rooms are internally connected and internally accessible via habitable space, located on a separate lot from any other unit (except accessory dwelling units, where permitted), and have only one kitchen. This includes individual manufactured housing units installed on a foundation system pursuant to California Health and Safety Code section 18551, and the use of a single-family

residential structure as employee housing for six or fewer employees consistent with California Health and Safety Code section 17021.5.

Dwelling, Two-Family. A residential building containing two dwelling units, both of which are located on a single parcel. The dwelling units are attached and may be located on separate floors or side-by-side. Excludes accessory dwelling units (see “accessory dwelling unit”).

Elderly and Long-term Care. Establishment that provides 24-hour medical, convalescent, or chronic care to individuals who, by reason of advanced age, chronic illness or infirmity, are unable to care for themselves, and is licensed by the California Department of Public Health. Includes, but is not limited to skilled nursing facilities, rest homes, and convalescent hospitals. Does not include a residential care facility or hospital.

Electronic smoking device. Any device that may be used to deliver any aerosolized or vaporized substance to the person inhaling from the device, including, but not limited to, an e-cigarette, e-cigar, e-pipe, vape pen, electronic heated tobacco products, or e-hookah. Electronic smoking device includes any component, part, or accessory of the device, and also includes any substance that may be aerosolized or vaporized by such device, whether or not the substance contains nicotine. Electronic smoking device does not include any nicotine cessation product that has been approved by the U.S. Food and Drug Administration to be marketed and for sale as “drugs,” “devices,” or “combination products,” as defined in the Federal Food, Drug, and Cosmetic Act.

Emergency Shelter. Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay as set forth in the California Health and Safety Code section 50801(e), as may be amended.

Employee/Farmworker Housing. As described in California Health and Safety Code section 17021.6 and 17008, any employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household.

Family Child Care Home, Large. As defined by Health and Safety Code section 1596.78, a home in which the provider regularly provides care, protection, and supervision for up to 14 children for less than 24 hours per day.

Family Child Care Home, Small. As defined by Health and Safety Code section 1596.78, a home in which the provider regularly provides care, protection, and supervision for eight or fewer children for less than 24 hours per day.

Farmers’ Market. An establishment offering for sale produce, prepared food items, and other artisan/craft goods and merchandise by certified growers and producers authorized to sell, directly to consumers, products that are produced on land the producer controls or taken in consignment from other producers. Excludes flea markets.

Firearms Dealer. An establishment engaged in the selling, dealing in, trading, or transferring firearms.

Fleet-Based Service. Passenger transportation services, local delivery services, medical transport, and other businesses that rely on fleets of three or more vehicles. This includes parking, dispatching, and offices for taxicab and limousine operations, ambulance services, non-emergency medical transport, home cleaning services, pedicab services, and similar businesses. This does not include towing operations (see “vehicle storage”), taxi or delivery services with two or fewer fleet vehicles on-site (see “business support services”), facilities that handle third party goods for local or worldwide delivery (see “freight and trucking yard”) or last mile parcel processing/redistribution facilities (see “parcel hub”).

Food and Beverage Processing and Preparation. Cooking, processing, packaging, bottling, and shipping of food products and/or non-alcoholic beverages for off-site sales. This does not include breweries, wineries, and distilleries; the slaughtering of live animals; or large-scale operations (see “commercial agricultural processing plant”).

Freight and Trucking Yard. Facilities that handle third party goods for local or worldwide freight, courier, local messenger, and postal services by truck or rail. This includes fulfillment centers and parcel sorting centers, which provide storage and distribution of e-commerce products to consumers or end-users, either directly or through a parcel hub.

Fueling Facility, Commercial. A fueling facility designed for commercial customers which dispenses gasoline, diesel, or similar vehicle fuels, and which is not open to the general public, has no cash sales and provides no personal services on-site. This excludes mobile fueling.

Funeral Parlor and Mortuary. An establishment primarily engaged in the provision of services involving the care, preparation, or disposition of human remains and conducting memorial services. Typical uses include a crematory or mortuary. This use does not include cemeteries.

Grocery Store, Large. Retail establishments that primarily sell food, but also may sell other convenience and household goods, and may include a delicatessen or specialty food shop, baked goods, frozen foods, fruits, vegetables, meats, cheeses, dairy, and prepared food, and which occupy more than 25,000 square feet of gross floor area, but not more than 80,000 square feet of gross floor area.

Grocery Store, Small. Retail establishments with gross floor area less than 25,000 square feet that primarily sell food products, such as fresh fruits and vegetables, meats and seafood, dairy products, baked goods, packaged and prepared foods, and frozen foods, but that may also sell other convenience and household goods. May also include a delicatessen or other specialty food shop.

Group Living Accommodation. A building or portion of a building designed for or accommodating a residential use by persons not living together as a household. This use includes dormitories, convents and monasteries, and other types of organizational housing. This use does not include residential care facilities, nursing homes, hotels, single-room occupancy residences, or boarding houses, which are defined separately. Group living accommodations typically provide shared living quarters without separate kitchen or bathroom facilities for each room or unit.

Guest Ranch. Short-term lodging provided to visitors on property where agricultural activities take place (e.g., animal husbandry, cultivated agriculture) and that is not considered to be another lodging uses.

Home Occupation. A commercial use conducted on residential property by the inhabitants of the subject residence, which is incidental and secondary to the residential use of the dwelling.

Hospital. A state-licensed facility providing medical, psychiatric, or surgical services for sick or injured persons primarily on an in-patient basis, and including ancillary facilities for outpatient and emergency treatment, diagnostic services, training, research, administration, and services to patients, employees, or visitors.

Hotel. A commercial establishment providing lodging accommodations for a fee for transient guests, generally for stays of 30 days or fewer, with access to rooms or units primarily from interior lobbies, courts or halls. A hotel may include limited facilities for storage and preparation of food and beverages within individual rooms, such as coffee makers, mini refrigerators and microwave ovens.

Indoor Entertainment. Predominantly spectator uses conducted within an enclosed building. Typical uses include movie theaters, enclosed sports arenas, live performing arts venues, escape rooms, and video game activities and competitions such as e-sports.

Indoor Sports and Recreation. Predominantly participant sports conducted within an enclosed building. Typical uses include indoor bowling alleys, billiard parlors, ice and roller skating rinks, go-kart tracks, indoor shooting ranges, and trampoline parks. Excludes operations where activities are primarily class- or appointment-based such as yoga studios and personal trainers.

Industry, General. Manufacturing of products from extracted or raw materials or recycled or secondary materials, or bulk storage and handling of such products and materials, where operations are conducted primarily within an enclosed building. Includes, but is not limited to operations such as biomass energy conversion; textile mills; furniture and related product manufacturing; photographic processing plants; leather and allied product manufacturing; wood product manufacturing; paper manufacturing; plastics and rubber products manufacturing; and nonmetallic mineral product manufacturing.

Industry, Heavy. Manufacturing of products that include petroleum products, metals and/or metal processing, and hazardous chemicals. Includes automobile assembly and manufacturing and tire retreading or recapping.

Industry, Light. Establishments engaged in light industrial activities taking place primarily within enclosed buildings and producing minimal impacts on nearby properties. Includes, but is not limited to, operations such as manufacturing finished parts or products primarily from previously prepared materials; commercial laundries and dry cleaning plants; mobile home manufacturing; monument works; printing, engraving and publishing; electronics manufacturing not included under advanced manufacturing; and production apparel manufacturing.

Instruction Services. An establishment that offers specialized programs in improvement, information, and personal growth and development such as photography, fine arts, crafts, music, yoga, martial arts, dance, driving schools, health and wellness, and academic tutoring. Attendance is typically limited to hourly classes rather than full-day instruction. These establishments do not grant diplomas or degrees, though instruction may provide credits for diplomas or degrees granted by other institutions. Retail sales are permitted as an accessory use.

Group. Group instruction includes 10 or more students or clients at any one time.

Private/Small Group. Private instruction includes fewer than 10 students or clients at any one time.

Intermediate Processing Facility. A facility that receives, sorts, compresses or bales, and stores recyclable materials for efficient transfer to other processing facilities or to an end user.

Junior Accessory Dwelling Unit. See Accessory Dwelling Unit, Junior.

Kennel. Facilities for keeping, boarding, training, breeding, or maintaining for commercial purposes, four or more dogs, cats, or other household pets more than four months of age and not owned by the kennel owner or operator for 24 hours or more.

Large Format Retail. Retail establishments over 80,000 square feet in size that sell merchandise and/or bulk goods primarily for individual consumption, including, but not limited to, department stores, home improvement stores, membership warehouses which emphasize bulk sales to the general public as well as to other businesses, and other big box format stores. Large format retail uses may include a grocery store sales component. Excludes home improvement stores with outdoor nursery or garden centers (see nursery and garden center).

Library/Museum. Public or quasi-public facilities primarily engaged in the display or preservation of objects of interest in the arts or sciences that are open to the public on a regular basis. Includes, but is not limited to aquariums, arboretums, art galleries and exhibitions, botanical gardens, historic sites and exhibits, libraries, and museums. May also include accessory retail uses such as gift/book shops, and restaurants.

Live-Work Unit. An integrated housing unit and working space that has been constructed for such use or converted from commercial or industrial use and structurally modified to accommodate residential occupancy and work activity in compliance with the California Building Code. Living space includes, but is not limited to, a sleeping area, a food preparation area, and a full bathroom. The working space is reserved for and regularly used by one or more occupants of the unit.

Low Barrier Navigation Center. Consistent with California Government Code section 65660, a service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health, shelter, and housing services.

Maintenance and Repair Services. Establishments engaged in the maintenance or repair of office machines, household appliances, furniture, and similar large items. This classification excludes maintenance and repair of vehicles or boats (see vehicle repair and maintenance) and personal items such as apparel, shoes, and jewelry (see Repair/Cleaning/General Services, Small).

Massage Establishment. Any establishment having a fixed place of business where any person, firm, association, partnership, corporation, or other entity engages in, conducts, or carries on, or permits to be engaged in, conducted or carried on, any massage for compensation. Also includes, but is not limited to, any business providing off-premises massage services.

Massage Establishment, Accessory. An establishment that provides massage which is incidental to the primary business, where the owner of the primary business is responsible for the massage services and conduct of the massage technician(s) employed at the location.

Medical Office/Clinic. Office use providing consultation, diagnosis, therapeutic, preventive, or corrective medical treatment services by doctors, dentists, chiropractors, optometrists, psychotherapists, alternative healing practitioners such as acupuncturists, and similar practitioners of medical and healing arts for humans licensed for such practice by the State of California. Incidental medical and/or dental laboratories and research within the office that supports the on-site patient services is considered part of the office use. This use includes urgent care facilities. Excludes independent research laboratory facilities and hospitals (see medical support laboratory and see hospital).

Medical Support Laboratory. A facility for scientific laboratory analysis of medical resources. The analysis is generally performed for medical providers to support the medical provider's work on behalf of patients.

Microbreweries. A limited production brewery where beer is brewed, sold, and consumed on site and meets all applicable California Department of Alcoholic Beverage Control regulations. This use includes tasting rooms where alcoholic beverages are sold and consumed on site. Food service is subordinate to the sale of alcoholic beverages.

Mini-Storage or Self-Storage. Facilities offering enclosed storage with individual access for personal affects, furniture, and household goods. Typical provided in small individual units (e.g., 400 square feet or less) that are available for rental by the general public.

Mining and Quarrying. An operation that extracts gravel, sand, other construction aggregates, or minerals from the ground. Includes quarries and gravel pits.

Mobile Food Vending. The selling or offering to sell products from a mobile food vehicle, which includes the following uses:

Ice Cream Truck. A motorized vehicle selling ice cream or other frozen dairy or non-dairy dessert products on streets and in other public places.

Mobile Food Park. Site with two or more mobile food vehicles located together on the same parcel and operating at the same time for more than seven consecutive days.

Mobile Food Vending (Individual Vehicle). A motorized, wheeled vehicle or towed vehicle designed and equipped to store, prepare, serve and sell food, but which does not include ice cream trucks or mobile food vending wagons or pushcarts as regulated in Milpitas Municipal Code Subsection V-100-10.11 (Unlawful Parking—Peddlers, Vendors).

Mobile Fueling. A commercial service that offers on-demand fueling of motor vehicles at a specified location instead of at a service station. Mobile fueling may be provided to individual customers via the use of a mobile app, with fuel delivered to a home, office, or other location requested by the customer. Mobile fueling may also be provided for operators of fleet vehicles at a fixed, semi-permanent or permanent location.

Mobile Home Park. A development designed for and occupied by manufactured/mobile housing units consistent with the requirements of California Health and Safety Code section 18200 to 18700. A mobile home park includes facilities and amenities used in common by occupants who rent, lease, or own spaces for mobile home units/spaces through a subdivision, cooperative, condominium, or other form of resident ownership.

Motel. A building or group of attached or detached buildings providing lodging accommodations for a fee for transient guests, for stays of 30 days or fewer, with access to each room or unit through an exterior door. Motels are distinguished from hotels primarily in that the former provide direct independent access to, and adjoining parking for, guest rooms and do not provide 24-hour guest services.

Multi-Family Dwelling. See “dwelling, multi-family”.

Nursery and Garden Center. An establishment primarily engaged in selling nursery and garden products, such as trees, shrubs, plants, seeds, bulbs, and sod that are predominantly grown offsite. This classification includes commercial and wholesale greenhouses and nurseries offering plants for sale.

Outdoor Entertainment. Predominantly spectator uses conducted in open or partially enclosed or screened facilities. Typical uses include outdoor theaters, partially enclosed sports arenas, racing facilities, outdoor concert facilities, amphitheaters, drive-in movie theaters, aquatic parks, and amusement parks.

Outdoor Sports and Recreation. Predominantly participant sports conducted in open or partially enclosed or screened facilities. Typical uses include commercial driving ranges, outdoor shooting and/or archery ranges, miniature golf courses, golf courses, outdoor go-karts, swimming pools, and tennis courts. This use excludes public golf courses, public swimming pools, and public tennis court or other public sport court facilities (e.g., basketball, pickleball, etc.) (see “park/playground”); and excludes common recreational facilities as accessory to a multi-family residential project or use.

Parcel Hub. A ‘last mile’ facility warehouse or similar establishment for the processing and/or redistribution of parcels or products to end-user customers. A parcel hub’s primary function is

moving a shipment from one mode of transport to vehicles with rated capacities less than 10,000 pounds, for delivery directly to consumers or end-users primarily within a 10-mile radius.

Park/Playground. Parks, playgrounds, trails, wildlife preserves, and related open spaces. This includes public playing fields, sports courts, picnic facilities, and related food concessions or community recreational buildings and structures.

Parking Lot. Open parking area(s) provided on property other than a public street, alley, or right-of-way that is the primary use on the lot (i.e., the parking lot is not providing the required off-street parking for land uses on the lot). May include park and ride lots. Use of the parking lot may be subject to a fee.

Parking Structure. A building or structure containing parking spaces that is the primary use on the lot (i.e., the parking structure is not providing the required off-street parking for land uses on the lot). May be located above or below grade, and use of the parking structure may be subject to a fee. May include park and ride structures.

Pawnbroker. A place of business where personal property is received and for which money is advanced, with the right of privilege granted to the person to whom said money is advanced to reclaim such property upon repayment of said money.

Personal Services. A commercial establishment which provides services of a personal or aesthetic nature directly to consumers, including but not limited to barber and beauty shops, nail salons, tanning salons, hair removal salons, tattoo and body piercing studios, spa/wellness center (excluding massage establishments), medical spas, and personal trainers.

Pet Day Care and Sales. Facilities for providing non-medical care for four or more dogs, cats, or other household pets not owned by the pet day care owner or operator, included but not limited to grooming services, on a less than 24-hour basis. This use includes retail sales of household pets and pet supplies, but excludes pet supply stores that do not sell animals or provide on-site animal services. Also excludes home-based pet day care services for a fee, such as dog walking services.

Primary Processing Facility. A facility that processes recyclable materials and acts as a final destination for recyclable materials.

Public Safety. Facilities providing public safety and emergency response services, including police and fire protection, with incidental storage, training, and maintenance facilities.

Public Utility. Facilities for the production, storage, treatment, transmission and/or distribution of electricity, natural gas, water, wastewater, and telecommunications and other similar essential services. Also includes service facilities, electric transmission and distribution substations, and public utility service centers.

Repair/Cleaning/General Services, Small. A commercial establishment that performs cleaning, repair, and alteration of small consumer and household items, including but not limited to dry cleaning pick-up stores without equipment that uses chemical solvents, laundromats (self-service laundries), photocopying and photo finishing services, tailor shops, watch and jewelry repair, shoe repair, home electronics repair, and locksmiths. Does not include repair of vehicles or boats (see vehicle repair and maintenance), personal services (see personal services), or maintenance and repair of large or bulky items (see maintenance and repair services).

Research and Development (R & D). Industrial or scientific research for the design, development, engineering and testing of high technology, clean technology, industrial, or scientific products. May include limited manufacturing as necessary for the production of prototypes, but excludes the full-scale manufacturing of final products. May also include storage space for raw materials and/or finished goods that actively supports the primary use.

Residential Care Facility. Consistent with Health and Safety Code section 1502, a facility licensed by the State of California to provide living accommodations and 24-hour care for persons requiring personal services, supervision, protection, or assistance for sustaining the activities of daily living. Living accommodations are group homes or shared living quarters with or without separate kitchen or bathroom facilities for each room or unit. This classification includes facilities that are operated for profit as well as those operated by public or not-for-profit institutions.

Resilience Hub. A community-serving facility designed to support residents and coordinate resource distribution and services before, during, or after a natural hazard event. Resilience hubs provide information as well as services and supplies, including but not limited to community gathering space, emergency supplies, basic medical care, internet access, and electronic device charging. They are typically outfitted with a solar and back-up battery storage system that can operate off the power grid and maintain power to the facility during grid outages.

Restaurant, Full Service. Restaurants that provide cooked-to-order food and beverage services to patrons who order and are served while seated and pay after eating. Takeout service may also be provided.

Restaurant, Limited Service. Establishments where food and beverages may be consumed on the premises, taken out, or delivered, but where no table service is provided. This includes, but is not limited to cafeterias, fast-food restaurants, carryout sandwich shops, limited-service pizza parlors and delivery shops, self-service restaurants, snack bars, and takeout restaurants. This use includes cafes, coffee shops, and bakeries with a retail storefront component.

Restaurant with Alcohol Service. Either a full service or limited service restaurant that includes alcohol service for on-site consumption.

Retail, Limited. An establishment which offers the sale of a limited line of merchandise that is generally necessary or desirable for everyday living or everyday business activities. Examples include small grocery stores offering primarily prepared or pre-packaged food and beverage items, small drugstores and variety stores, small stationery, office supply stores, shops selling other small household goods, and walk-out retail stores. This classification excludes convenience stores.

Retail Stores, General Merchandise. The retail sale or rental of merchandise not specifically listed under another use definition. This includes department stores, clothing stores, furniture stores, pharmacies, pet supply stores, flower shops (florist), art supply stores, music stores, book stores, and other businesses retailing (or renting) toys, hobby materials, handcrafted items, formalwear, music equipment and instruments, jewelry, cameras, candy, gifts and novelties, electronic equipment, sporting goods, hardware, appliances, antiques, art, paint and wallpaper, carpeting and floor covering, office supplies, bicycles, and new automotive parts and accessories, excluding vehicle service and installation (see vehicle repair and maintenance). Excludes large format retail and other sales-related uses more specifically described in other use definitions.

Riding Academy and Public Stables. Stables leased for the keeping of horses which may also include areas for horse riding and horse riding lessons.

Salvage and Wrecking. The dismantling of wrecked or decommissioned vehicles, appliances, or other metal products where usable parts are sold for use in operating vehicles and the unusable metal parts are sold to metal-recycling companies.

School, Private. A private institution of learning for students offering instruction in those courses of study required by the California Education Code and maintained in compliance with the

standards set by the State Board of Education. This use includes kindergarten, elementary school, middle or junior high school, or high school.

School, Public. A public institution of learning for students offering instruction in those courses of study required by the California Education Code and maintained in compliance with the standards set by the State Board of Education. This use includes kindergarten, elementary school, middle or junior high school, and high school.

Service Station. Any premises used for supplying automotive fuel and oil at retail, direct to the customer, including minor accessories and services for automobiles such as tire air pumps and window washing, but not including automobile repairs.

Short-Term Rental (STR). The use of a dwelling unit, including, without limitation, a single-family, two-family, or multi-family dwelling unit, mobile home, or any portion of such dwellings, rented for occupancy for dwelling, lodging, or sleeping purposes for a period of 30 or fewer calendar days, counting portions of days as full calendar days.

Single-Family Dwelling. See “dwelling, single-family”.

Single-Room Occupancy (SRO) Residence. A multi-tenant building consisting of single room dwelling units that are the primary residence of its occupants, containing either individual or shared kitchen and bathroom facilities. These units are small, generally less than 350 square feet.

Smoke/Tobacco Shop. A retail establishment primarily engaged in the selling of smoking ~~and or~~ tobacco products, ~~and~~-accessories, ~~or paraphernalia and-or any~~ other products, devices, ~~and-or~~ components reasonably assumed to be used for smoking and/or the inhalation or ingestion of any substance. ~~Tobacco products may include but are not limited to cigarettes, cigars, loose leaf tobacco, tobacco pipes, electronic smoking devices and accessories, vaporizers and accessories and any other product, device or component used in the inhalation of tobacco, nicotine or other substance.~~ See “tobacco product” and “tobacco accessories or paraphernalia”. For the purposes of this definition only, “primarily engaged” means when 30 percent or more of products sold at the retail establishment are smoking or tobacco products, accessories, or paraphernalia or any other products, devices, or components reasonably assumed to be used for smoking and/or the inhalation or ingestion of any substance.

Supportive Housing. Consistent with California Health and Safety Code section 50675.14, housing with no limit on length of stay, that is occupied by the target population as defined in U.S.C. section 11302 of Title 42, and that is linked to on-site or off-site services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community.

Temporary Use. A use established for a specified period of time, with the intent to discontinue the use at the end of the designated time period.

Tobacco accessories or paraphernalia. Devices or instruments for smoking, heating, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means tobacco products or other controlled substances.

Tobacco product.

- Any product containing, made of, or derived from nicotine or tobacco that is intended for human consumption or is likely to be consumed, whether smoked, heated, chewed, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, including but not limited to, a cigarette, a cigar, pipe tobacco, chewing tobacco, snuff, or snus;
- Any electronic smoking device and any substances that may be aerosolized or vaporized by such device and that contains nicotine; or

- Any component, part, or accessory of (1) or (2), whether or not sold separately and whether or not they contain nicotine or tobacco, including but not limited to filters, rolling papers, blunt or hemp wraps, hookahs, mouthpieces, and pipes.
- Tobacco product does not include any nicotine cessation product that has been approved by the U.S. Food and Drug Administration to be marketed and for sale as “drugs,” “devices,” or “combination products,” as defined in the Federal Food, Drug, and Cosmetic Act

Tobacco retailer. A tobacco retailer is any person or business that sells, offers for sale or distribution, exchanges, or offers to exchange for any form of consideration, tobacco, tobacco products, or tobacco accessories or paraphernalia.

Trade and Vocational School. An establishment where postsecondary education or training is received in a trade or craft, business, commerce, language, or other similar activity or occupational pursuit that is not otherwise described as a college/university, school, or instruction services. This use includes culinary schools.

Transitional Housing. Consistent with California Government Code section 65582, buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance.

Transportation Passenger Terminal/Facility. Facilities for passenger transportation operations, including rail stations, bus terminals, and associated service facilities, but does not include terminals serving airports or heliports.

Two-Family Dwelling. See “dwelling, two-family”.

Vehicle Rental. Establishment providing for the rental of automobiles. Includes rental of passenger vehicles and light trucks/vans under 14,000 pounds and incidental repair/servicing and cleaning of rental vehicles. This use does not include car-sharing operations.

Vehicle Repair and Maintenance, Major. Repair of automobiles, trucks, motorcycles, motor homes, boats and recreational vehicles, including the sale, installation, and servicing of related equipment and parts. This classification includes the servicing and repair of engines, body and fender, transmission, axels, wheels and brake, tire sales and installation, tire treading and recapping, and vehicle painting. Excludes vehicle dismantling or salvaging (see “salvage and wrecking”) and tire retreading or recapping (see “industry, heavy”). All activities listed under Vehicle Repair and Maintenance, Minor may also be included in major uses.

Vehicle Repair and Maintenance, Minor. The service and repair of automobiles, light-duty trucks, boats, and motorcycles, including the sale, installation, and servicing of related equipment and parts. This classification includes the replacement of small automotive parts and liquids as an accessory use to an automotive accessories and supply store, and quick-service oil, tune-up and brake and muffler shops, auto glass sales and replacement, window tinting, stereo and alarm sales, and tire sales where repairs are made or service provided in enclosed bays and no vehicles are stored overnight. This classification excludes disassembly, removal or replacement of major components such as engines, drive trains, transmissions or axles; automotive body and fender work, vehicle painting or other operations that generate excessive noise, objectionable odors, or hazardous materials, and repair of heavy trucks, limousines, or construction vehicles (see “vehicle repair and maintenance, major”). It also excludes towing services (see “vehicle storage”) and fueling stations (see “service station”).

Vehicle Sales and Leasing. Sale or lease, retail or wholesale, of automobiles, light trucks, motorcycles, motor homes, and trailers, together with associated incidental repair services and parts

sales, but excluding body repair and painting. Includes, but is not limited to, automobile dealers and recreational vehicle sales agencies.

Vehicle Sales, Limited. A small-format showroom for the retail sale of automobiles and light trucks, typically within a retail storefront setting. Uses can include storage of no more than five vehicles onsite for display and/or test driving, which may be stored either indoors or outdoors on the same lot. Incidental vehicle repair services and parts sales are not permitted.

Vehicle Storage. The use of a site for the short-or long-term storage of automobiles, trucks, motorcycles, and/or other vehicles. Includes towing and impound lots.

Vehicle Washing. Washing, waxing, detailing, and/or cleaning of automobiles or similar light vehicles, including self-serve washing facilities.

Veterinary Clinic. Medical care for household pets on a commercial basis with no overnight (24-hour) accommodation of animals.

Veterinary Hospital or Services. Medical care for household pets on a commercial basis with 24-hour accommodation of animals, but does not include kennels. Also includes overnight (24-hour) accommodation of small animals for grooming services.

Warehousing and Distribution. A facility, primarily within an enclosed building, for the storage of commercial or industrial goods, products and materials and the associated on-site sorting, packing, staging, shipping, receiving, and distributing of goods to wholesale and retail outlets, including ancillary truck parking and dispatching. Also includes long-term, passive storage of furniture, household goods, or other commercial goods; and of industrial equipment, products, and materials. Warehousing and distribution facilities may include, but are not limited to, wholesale distribution, distribution centers, moving and transfer storage, cross-dock facilities, package handling centers, order fulfillment centers, and logistics centers. Excludes storage of raw materials and/or finished products as part of an active primary use (e.g., advanced manufacturing uses; general industry uses; light industry uses; research and development uses). Excludes parcel hubs.

Wholesale Sales. The selling and/or distributing of merchandise to retailers; industrial, commercial, or institutional buyers; or other wholesalers; or acting as agents or brokers in the buying and selling of merchandise to or for such entities.

Wireless Telecommunications Facility. A facility that transmits and/or receives electromagnetic signals. It includes antennas, microwave dishes, horns, and other types of equipment for the transmission or receipt of such signals, equipment, switches, wiring, cabling, power sources, shelters or cabinets associated with an antenna, telecommunication towers or similar structures supporting the equipment, equipment buildings, parking area and other accessory development. Also see wireless telecommunications terms in Chapter E.2 (Definitions of Terms).

SECTION 6. CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council finds, pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3), that this Ordinance is not subject to review under CEQA. CEQA Guidelines Section 15061(b)(3), also known as the “common sense exemption,” states that CEQA only applies to projects that have the potential for causing a significant effect on the environment, and where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. A “significant effect on the environment” means a substantial, or potentially substantial, adverse change in any of the physical conditions within the area affected by the project. This ordinance would create new regulations related to tobacco retailers. Such uses have been previously allowed, and this ordinance would not affect the densities or intensities of use previously allowed. It would enact standards

for the location of tobacco retailers that are comparable to standards for other commercial land uses, and City staff review would be required to ensure that tobacco retailers comply with all applicable requirements. Therefore, it can be seen with certainty that there is no possibility that the ordinance in question would have a significant effect on the environment; accordingly, the ordinance is exempt from CEQA review.

As a separate and independent basis, the Ordinance is also exempt from further environmental review under CEQA Guidelines Section 15183 (Project Consistent with Community Plan, General Plan, or Zoning), which applies to projects which are consistent with the General Plan for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or site. The project is consistent with and conforms to the goals and policies of the Milpitas General Plan 2040. The General Plan's Community Health and Wellness (CHW) Element employs a "Health in All Policies" (HiAP) framework, which stresses the importance of infusing health awareness into all governmental programs, functions, and responsibilities. The proposed ordinance would regulate the proximity of tobacco retailers to schools and limit their concentration, as well as allow the City to enforce performance standards for all tobacco retailers via the requirement of a Minor Conditional Use Permit and prohibit the sale of flavored tobacco products. The project advances several General Plan goals and policies, specifically CHW Policy 1-1, CHW Policy 7-2, and CHW Action 7e. This ordinance satisfies each element of these policies by exercising local regulatory authority over a land use with documented public health consequences. It also relies on measurable spatial indicators (buffer distances from schools and minimum separation between retailers). The ordinance also advances health equity by protecting youth and vulnerable populations from disproportionate tobacco exposure.

SECTION 7. SEVERABILITY

The provisions of this Ordinance are separable, and the invalidity of any phrase, clause, provision, or part has no effect on the validity of the remainder.

SECTION 8. EFFECTIVE DATE AND POSTING

In accordance with Section 36937 of the Government Code of the State of California, this Ordinance takes effect 30 days from the date of its passage. The City Council hereby directs the City Clerk to cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager, or Designee, to Negotiate and Execute an Amendment to the Professional Services Agreement with TDG Engineering, Inc. for the Milpitas Gateway-Main Street Sense of Place Plan (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Jay Lee, Planning Director, 408-586-3077)
Category:	Consent Calendar-Community Development
Meeting Date:	9/1/2026
Recommendation:	Authorize the City Manager, or designee, to negotiate and execute Amendment No. 3 to the Professional Services Agreement with TDG Engineering, Inc. to add scope of work, increase the not-to-exceed amount by \$100,000 for a revised maximum compensation of \$593,578 (to be fully funded by the grant), and extend the term of the Agreement through December 31, 2027, subject to execution of an amendment to the Master Funding Agreement Supplement with the granting agency, Metropolitan Transportation Commission.

BACKGROUND:

The Milpitas Gateway-Main Street Specific Plan (Plan) was originally adopted as the Midtown Specific Plan by the Milpitas City Council in March 2002 to maximize land use, transportation, and economic opportunities along the City's historic Main Street and energize and catalyze mixed-use, transit-oriented development in this area, also known as the "heart" of Milpitas.

To meet the San Francisco Bay Area's long-range goals of reduced greenhouse gas emissions and more affordable housing for all, the Metropolitan Transportation Commission (MTC) offered funding and technical assistance to local jurisdictions through its Priority Development Area (PDA) Planning Program. On February 23, 2023, City staff applied for grant funding to prepare the Milpitas Gateway-Main Street Sense of Place Plan, and the City was awarded \$600,000.

On [November 19, 2024](#), City Council accepted the grant and authorized a Professional Services Agreement (Agreement) with TDG Engineering, Inc. (TDG) for the Gateway-Main Street Sense of Place Plan for an initial not-to-exceed amount of \$420,000. The Agreement was executed on November 26, 2024 with a term expiration date of November 30, 2026.

On [May 20, 2025](#), City Council authorized the City Manager, or designee, to execute Amendment No. 1 to the Agreement to add \$71,138 for additional scope of work, plus additional authority to approve changes of up to 10 percent, or \$7,112, for a revised maximum authorized compensation of \$498,250. On April 13, 2026, staff executed Amendment No. 2 to the Agreement to add \$2,440 for additional work under the change authority delegated by City Council on May 20, 2025 and Milpitas Municipal Code Section [I-2-3.21](#) (Authority to Modify Contracts Awarded by City Council) bringing the amount committed under the Agreement to \$493,578 and leaving \$4,672 of the previously approved change authority unused.

The updated Plan produced under this contract was adopted by the City Council on [October 28, 2025](#) and establishes a vision for revitalization and mixed-use development within the Main Street, Crossroads, Gateway, and Abbott districts and identifies recommended infrastructure improvements for streets, multimodal corridors, alleys, paseos, plazas, parks, and gateway intersections.

ANALYSIS:

To support implementation of the Plan, staff request authorization to amend the current Agreement with TDG to provide district- and project-level Opinions of Probable Construction Cost for the recommended

infrastructure improvements identified in the updated Plan. To complete this additional scope of work, TDG will review existing planning and engineering documents, apply industry-standard cost estimating methodologies, and coordinate with City staff to prepare cost estimates and supporting technical documentation. The resulting information will aid the City's development impact fee program, nexus study (required under California Government Code Section 66000 et seq. and applicable provisions of the Milpitas Municipal Code), and future capital improvement programming. Because the total fee under the Agreement exceeds \$100,000, City Council approval of the amendment is required under Milpitas Municipal Code Section [I-2-3.13-2\(b\)](#). The cost estimating work will be performed by BKF Engineers, a subconsultant to TDG, under TDG's direction. TDG will provide project management and coordination of the subconsultant.

The additional scope of work will build on prior and ongoing cost estimating efforts for master-planned utilities and incorporate typical roadway cross sections developed for various roadway classifications within the Plan area, which will allow TDG to use existing technical information while developing cost estimates that are consistent across the Plan districts and infrastructure types. TDG will also utilize recent unit cost information from comparable public works projects, established cost models, and current market conditions to prepare order-of-magnitude estimates. This methodology will account for anticipated cost drivers, unique conditions, and phasing considerations associated with the Main Street, Crossroads, Gateway, and Abbott districts. The estimates are intended to establish planning-level costs and will not constitute final construction estimates. Amending the existing Agreement rather than initiating a separate procurement avoids duplication of effort and cost, as TDG prepared the infrastructure recommendations, roadway cross sections, and utility cost estimating work on which the Opinions of Probable Construction Cost will be built.

Deliverables will include a technical memorandum, district-level cost summary matrix, project-level estimate worksheets, and editable cost estimate files. The technical memorandum will document assumptions, methodologies, and significant cost drivers so that the City can update the estimates as project scopes, schedules, or market conditions change.

The vendor will coordinate with City staff from the Planning, Public Works, and Finance Departments throughout the process, and the work will also incorporate input from the Ad Hoc Main Street Revitalization Subcommittee and other applicable advisory bodies. This will help ensure that the estimates reflect the infrastructure improvements contemplated by the adopted Plan and that they are responsive to information developed through the Plan update process.

If approved by City Council, this work will be performed on a time and materials basis with a not-to-exceed amount of \$110,000 and an estimated completion date of January 2027. Note that while the additional task has a not-to-exceed of \$110,000, \$10,000 of this cost will be reallocated from Task 4.5, District Branding and Wayfinding resulting in a net contract increase of \$100,000 for this amendment. Additionally, to allow sufficient time for completion of this new scope of work, adequate time to address any additional follow-up requirements, time for completion of project closure, and to co-term this Agreement with the end date of the Metropolitan Transportation Commission's Master Funding Agreement Supplement, staff recommend the amendment also extend the Agreement through December 31, 2027. Supplement No. 2 to the Master Funding Agreement, as amended by Amendment No. 1 effective July 1, 2025, currently requires the project to be completed no later than December 31, 2026.

MTC has acknowledged and accepted the additional scope of work and the extension of the Supplement through December 31, 2027, and the formal amendment is proceeding through MTC's amendment and signature process. If MTC does not execute that amendment, the City will not execute Amendment No. 3 with TDG.

POLICY ALTERNATIVE(S):

Alternative 1: Do not authorize the City Manager, or designee, to negotiate and execute the amendment.

Pros: The City would avoid committing an additional \$100,000 of grant funds and the associated staff coordination time.

Cons: The City will not be able to carry out any infrastructure improvements identified in the Plan without completing a cost analysis. Existing high-level or previously prepared estimates lack the specificity and technical documentation required for a legally defensible nexus study and development impact fee program.

Reason for Not Recommending: This alternative will not provide the detailed, district- and project-level cost opinions necessary to support the City's impact fee calculations and long-term capital planning. Without updated, planning-level estimates tailored to the adopted Plan, the City will be unable to demonstrate a clear nexus between new development and the recommended public infrastructure improvements and will be unable to implement the identified projects within the Plan. Additionally, the City will leave over \$100,000 in the MTC grant unspent.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Target Completion Date
City Council authorization	September 1, 2026
MTC Master Funding Agreement Supplement amendment executed	September 2026
Amendment execution	September 2026
Project kick-off meeting	October 2026
Data Gathering and Methodology Development	October 2026
Preparation of Draft Opinions of Probable Construction Cost	December 2026
Review of Draft Estimates	December 2026
Finalization of Cost Opinions and Technical Memorandum	January 2027
Agreement term expiration	December 31, 2027

FISCAL IMPACT:

Should City Council approve this amendment, the additional funds of \$100,000 are available within the existing project budget for CIP Project No. 3504, Milpitas Gateway-Main Street Impact Fee Study and Sense of Place Plan. The funding source is the Priority Development Area Planning Grant Program administered by the MTC, which was previously awarded to the City and accepted by City Council action. Execution of this amendment will be subject to an executed amendment to the Master Funding Agreement Supplement with MTC to approve the additional scope of work and allocation of funds for this task, all of which is still within the \$600,000 grant award. Funds are appropriated in the Capital Improvement Program for Project No. 3504 and carry forward across fiscal years; no additional appropriation is required.

Fiscal Summary of Contract (with proposed amendment):

Task Descriptions	Not to Exceed ¹
Task 1: Project Initiation & Management	\$41,140
Task 2: Existing Conditions Analysis	36,842
Task 3: Public Engagement	46,698
Task 4: Preliminary Design	128,540 ³
Task 5: Draft Plan	51,094
Task 6: Impact Fee Study	63,350
Task 7: Final Plan & Impact Fee Adoption	30,252
Task 8: Additional Engagement	25,182
Task 9: Storm Drain Extension Planning	45,036
Task 10: Opinions of Probable Construction Cost	110,000 ³
Allowance for reimbursable incidentals (subject to pre-approval by City) ²	15,444
Total Contract Cost	\$593,578

¹ City to be billed based on costs associated with actual vendor hours required to complete the work.

² Reimbursable incidentals include, but are not limited to, printing, copying, travel, etc. as required and approved in advance by City. City will reimburse vendor at vendor's actual cost or U.S. General Services Administration (GSA)-approved rates for pre-approved expenses.

³ With this amendment, \$10,000 previously allocated to Task 4.5, District Branding and Wayfinding, will be reallocated to Task 10, resulting in a net increase to the Agreement of \$100,000 for a revised not-to-exceed of \$593,578.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This project involves only feasibility or planning studies for possible future actions which the City has not approved, adopted, or funded and does not require the preparation of an EIR or negative declaration but does require consideration of environmental factors pursuant to Cal. Code Regs., tit. 14, §15262.

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager, or Designee, to Execute a Purchase Order for One Specialty DUI Enforcement Patrol Vehicle Funded by the FY2026-27 California Highway Patrol Cannabis Tax Fund Grant Program (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Jared Hernandez, Chief of Police, 408-586-2406)
Category:	Consent Calendar-Public Safety
Meeting Date:	9/1/2026
Recommendation:	Authorize the City Manager, or designee, to execute a purchase order for one specialty DUI enforcement patrol vehicle, including outfitting and decals, in an amount not to exceed \$98,660, with the vendor determined by the Purchasing Agent in accordance with Milpitas Municipal Code Section I-2-3.06, superseding the vendor-specific purchase order authorization approved by the City Council on August 11, 2026.

BACKGROUND:

On [August 11, 2026](#), the City Council adopted Resolution No. 9535 accepting the FY2026-27 California Highway Patrol (CHP) Cannabis Tax Fund Grant Program award of \$130,482 and appropriating \$130,482 in revenue and \$130,482 in expenditures in the State Grants Police Fund (Fund 268). By the same motion, the Council authorized a purchase order with Duval Ford for one specialty patrol vehicle, including outfitting and decals, not to exceed \$98,660. The vote was 4-0-1.

The Grant Agreement funds 12 DUI saturation patrols and one DUI checkpoint between July 1, 2026 and June 30, 2027 and one Ford F-150 Police Responder marked for DUI enforcement. Duval Ford was named because it held the vehicle in stock. After the meeting and before a purchase order was issued, Duval Ford sold its remaining inventory of that vehicle to another public agency. No purchase order has been issued, and no grant funds have been expended.

ANALYSIS:

Milpitas Municipal Code Section [I-2-3.21](#) allows the Purchasing Agent to modify a Council-approved contract only by extending the term up to twelve months, making minor revisions to scope or schedule, making clerical corrections, or approving an assignment. Substituting a different vendor is not one of these options, so additional City Council action is required.

Section [I-2-3.06](#) permits award without competition when the Purchasing Agent determines in writing, after a good faith review of available sources, that only one viable source exists or that there is a compelling reason to use one source. That determination is vendor-specific and does not transfer, so the Purchasing Agent will make a new one and place it in the contract file. The compelling reason for a sole source is unchanged: the vehicle must be received, outfitted, and in service in time to complete the funded patrols and checkpoint before June 30, 2027, and a factory order cannot meet that schedule.

Staff recommends City Council authorization identify the purchase by the selection process rather than by vendor name. Dealer inventory turns over quickly, and a second vendor-specific authorization would put the schedule at risk again. The not-to-exceed amount, vehicle specification, outfitting scope, and funding source are unchanged from August 11, 2026. Only the identification of the vendor will change.

POLICY ALTERNATIVE(S):

Alternative 1: Return to the City Council with a new vendor-specific authorization once a replacement vendor is identified.

Pros: Council approves the vendor by name, as it did on August 11, 2026.

Cons: The next regular meeting is September 15, 2026, which would delay the purchase by two weeks.

Reason for Not Recommending: This alternative may result in the same issue currently experienced, where the vehicle is sold before the City Council approves the vendor and a purchase order can be issued.

Alternative 2: Conduct a competitive solicitation for the vehicle and outfitting.

Pros: Competitive procurement is typically best public procurement practice and is the City's default method.

Cons: The solicitation and award cycle would extend past the performance period, and responsive bidders would be limited to those holding the vehicle in stock, the same constraint that supports the sole source determination.

Reason for Not Recommending: The vehicle would not be in service in time to complete the funded enforcement activities, placing the equipment portion of the award at risk.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Target Date
Council authorization of purchase order	September 1, 2026
Purchasing Agent sole source determination and vendor selection	September 2026
Issue purchase order for specialty patrol vehicle	Q1 FY2026-27
Receive and outfit vehicle	Q2 FY2026-27
DUI saturation patrols (3 per quarter, 12 total)	Q1-Q4 FY2026-27
DUI/DUID checkpoint	Q4 FY2026-27
Submit quarterly reimbursement and progress reports	Quarterly through June 30, 2027
Grant period ends	June 30, 2027
Submit final expenditure report to CHP	By August 29, 2027

FISCAL IMPACT:

There is no fiscal impact beyond the August 11, 2026 action. The \$130,482 appropriation in the State Grants Police Fund (Fund 268) remains in place and no additional appropriation is requested. The purchase order remains subject to the not-to-exceed amount of \$98,660, consisting of \$62,764 for the vehicle and \$35,896 for outfitting. The grant requires no match, and there is no General Fund impact from the grant-funded activities.

The grant does not fund ongoing vehicle costs. The Police Department estimates annual operating and maintenance costs of approximately \$10,000 and annual vehicle replacement fund contributions of approximately \$17,759, both funded from the General Fund and included in the Department's base operating budget request, subject to appropriation by the City Council through the annual budget adoption process.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve and Authorize the City Manager, or Designee, to Execute a Stormwater Management Facilities Operation and Maintenance Agreement with KLA Corporation for 1 Technology Drive (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)
Category:	Consent Calendar-Community Development
Meeting Date:	9/1/2026
Recommendation:	Approve and authorize the City Manager, or designee, to execute a Stormwater Management Facilities Operation and Maintenance Agreement between the City of Milpitas and KLA Corporation for 1 and 3 Technology Drive.

BACKGROUND:

On [March 27, 2019](#), the Milpitas City Planning Commission approved the Property Owner's application for a Site Development Permit No. SD18-0011 and Lot Merger No. LC19-0001 to construct a two-story 25,300 square foot amenity building and related site improvements on the KLA campus and to merge two lots, at 1 and 3 Technology Drive ("Project").

The Project is conditioned to comply with State Law and the City's Municipal Regional Stormwater NPDES Permit ("MRP") issued by the Regional Water Quality Control Board ("RWQCB") where new development and redevelopment projects that create and/or replace 10,000 square feet or more of impervious surface are required to incorporate Low Impact Development ("LID") post construction stormwater control measures into their project. LID control measures include such items as bioretention areas, flow-through planters, permeable pavements, infiltration trenches and tree well filters.

MRP section C.3.h.ii.(1)(a) and Milpitas Municipal Code Title XI Chapter 16 requires property owners of a development project meeting the 10,000 square foot threshold to execute and record a Stormwater Management Facilities Operation and Maintenance Agreement ("Agreement") with the City for the perpetual operation, maintenance and annual inspection of LID stormwater treatment facilities.

ANALYSIS:

The Property Owner constructed stormwater bio-retention treatment areas to meet requirements of best management practices, low impact development, and integrated management practices for stormwater in accordance with the MRP. The Property Owner will be responsible for the perpetual maintenance and operation of the privately-owned stormwater treatment facilities within their private property.

The Property Owner has executed the Agreement for this Project, which requires the Property Owner to operate and maintain the installed stormwater treatment facilities in accordance with the MRP. The Property Owner must conduct an annual inspection of the facilities by a qualified independent inspector and submit the inspection report to the City Engineer by July 15 of each year. The Agreement also requires the Property Owner to deposit and maintain a minimum balance of \$4,000 in a Private Job Account to fund the City's inspection of the facilities.

Staff recommends the City Council approve the Agreement (Attachment A) which has been reviewed and approved by the City Attorney as to form, and by the City Engineer as to content.

POLICY ALTERNATIVE(S):

Alternative 1:

Do not approve the Agreement for operation, maintenance and annual inspection of stormwater treatment facilities.

Pros: None

Cons: The Project will not comply with the conditions of the development, and the City's Municipal Code and MRP.

Reason for Not Recommending: The approval of the Agreement allows the City to ensure the Property Owner properly maintains and operates the stormwater treatment facilities in accordance with the Agreement. In addition, the Agreement allows the City to inspect the facilities annually and take any potential enforcement actions, as necessary to ensure compliance.

FISCAL IMPACT:

There is no impact to the General Fund. The Agreement requires the Property Owner to deposit and maintain a minimum balance of \$4,000 in a Private Job Account with the City to fund City staff inspection of the stormwater treatment facilities. The deposit is due at execution of the Agreement. All costs of operating, maintaining, repairing, and replacing the facilities are borne by the Property Owner. If the City performs work under Section 4 of the Agreement, the City is entitled to reimbursement, and unpaid amounts may be recorded as a lien or placed as a special assessment on the property tax roll.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The Planning Department conducted an environmental assessment of the project in accordance with CEQA. By adoption of Resolution No. 14-022, on January 8, 2014, the Planning Commission previously approved an Initial Study and Mitigated Negative Declaration prepared for the development of this site. The original Initial Study/Mitigated Negative Declaration was circulated for public review between December 18, 2013, and January 8, 2014. Staff has prepared an Addendum to the Initial Study and Mitigated Negative Declaration Environmental Impact Assessment No. EA13-0005 pursuant to Section 15164 of the CEQA Guidelines.

On March 27, 2019, the Planning Commission approved the adoption of an addendum to the Mitigated Negative Declaration pursuant to Section 15162 which found no substantial changes were being proposed in the project scope that would increase any significant environmental impacts that would necessitate the preparation of a supplemental or subsequent initial study. As a separate and independent basis, the project is exempt from further CEQA review pursuant to Section 15183 of the California Environmental Quality Act, which applies to projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified. The project consists of a new amenity building that complies with the City's existing zoning, specific plan, community plan, and general plan. Therefore, no further environmental review is required. On this basis, the City Council relies on the previous CEQA reviews conducted in approving this agreement.

ATTACHMENT(S):

(a) Stormwater Management Facilities Operation and Maintenance Agreement

Control No. 2021- _____
Recording Requested by
and when Recorded, return to:

CITY OF MILPITAS
455 E. CALAVERAS BOULEVARD
MILPITAS, CA 95035-5479

Attn: City Clerk

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

Document Transfer Tax is \$ 0

() Computed on full value of property conveyed

() Computed on full value less value of liens and encumbrances remaining

City transfer tax is \$ 0

APN: 083-01-011

STORMWATER MANAGEMENT FACILITIES OPERATION AND MAINTENANCE AGREEMENT

This Stormwater Management Facilities Operation and Maintenance Agreement ("AGREEMENT") is made and entered into this _____ ("Effective Date"), by and between KLA Corporation ("Property Owner") and the City of Milpitas, a municipal corporation of the State of California ("City").

RECITALS

This AGREEMENT is made and entered into with reference to the following facts:

- A. **WHEREAS**, the Property Owner is the owner of real property more particularly depicted and described on the attached as **Exhibit A** ("Property") and fully incorporated herein by reference; and
- B. **WHEREAS**, the Property Owner received entitlements from the City allowing the development of the Property, including the construction of a new two-story 25,300-square foot amenity building including employee cafeteria, meeting rooms, and outdoor patio within an existing courtyard with, utilities, and associated offsite and onsite improvements landscaping, irrigation, and stormwater treatment measures on a 20.1 acre site located at 1 Technology Drive in Milpitas and more commonly known as the KLA Campus, Project No. PJ5038, (the "Project") on the Property; and subject to conditions set forth in the following (collectively "City Approvals"):
 - 1. Resolution No. 19-009 approving Site Development Permit No. SD18-0011,
 - 2. Resolution No. 19-009 approving Lot Merger No. LC19-0002,

- C. **WHEREAS**, discharges to the City's municipal separate storm sewer system ("MS4") are regulated under state and federal law pursuant to Waste Discharge Requirements and National Pollutant Discharge Elimination System permit ("MS4 Permit") issued by the Regional Water Quality Control Board, San Francisco Region ("Regional Board").
- D. **WHEREAS**, pursuant to the requirements of the MS4 Permit and the City's Stormwater and Urban Runoff Pollution Control Ordinance as codified in Milpitas Municipal Code Chapter 16 ("Ordinance"), the City Approvals require the Property Owner to install, operate and maintain, at no cost or expense to the City, the Permanent Stormwater Pollution Prevention Measures ("BMPs") more particularly described in the City-approved Stormwater Control Operation and Maintenance Plan (sometimes referred to herein as "Plan") for the Project attached hereto as **Exhibit B** and fully incorporated herein by reference; and
- E. **WHEREAS**, the Stormwater Control Operation and Maintenance Plan may be subsequently modified from time to time with City's written approval and such changes shall be fully incorporated as part of this Agreement by this reference; and
- F. **WHEREAS**, the Stormwater Control Operation and Maintenance Plan includes provisions for the BMP Operation and Maintenance and an annual inspection checklist for the BMPs constructed on the Property, and
- G. **WHEREAS**, this Agreement memorializes the Property Owner's maintenance, operations, and inspection obligations under the City's Ordinance and the approved Stormwater Control Operation and Maintenance Plan.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenants contained herein, and the following terms and conditions, the parties hereto agree as follows:

SECTION 1. Responsibility for Operation and Maintenance:

The Property Owner, at its sole cost and expense, shall construct and install the BMPs shown in Exhibit B in accordance with the plans approved by and on file with the City. Property Owner shall diligently maintain in perpetuity the BMPs in a manner assuring peak performance at all times, shall make such changes or modifications to the BMPs, subject to City's prior approval as may be reasonably necessary for the BMPs to continue to operate as designed and approved and to accomplish its intended purpose and in good repair, and in compliance with all applicable Federal, State, County and local laws and regulations, including but not limited to the Ordinance, as the same may be amended, revised, and/or replaced from time to time. The Owner shall be responsible for the costs incurred in operating, maintaining, repairing and replacing the BMPs. Property Owner shall not destroy or remove the BMPs or modify any measure in any manner that would lessen its effectiveness. Property Owner shall make available copies of the approved Stormwater Control Operation and Maintenance Plan at the site with the facility or property manager.

SECTION 2: Inspection by Property Owner:

The Property Owner, at its sole cost and expense, shall conduct annual inspections of all permanent installed BMPs per the Plan. The annual inspection report shall include completion of the checklist described in the approved Stormwater Control Operation and Maintenance Plan. The BMPs must be inspected by a qualified independent inspector who is acceptable to the City. The Property Owner shall submit the Inspection Report on these BMPs to the City Engineer no later than July 15th of each year.

SECTION 3. Facility Inspection by the City:

- (a) **Right of Entry.** The Property Owner, on its behalf and on behalf of its successors and assigns, grants permission to the City, the inspectors of the Regional Board, and local mosquito and vector control agency, and their authorized agents and employees, to enter the Property, and to inspect the BMPs whenever the City deems necessary to enforce provisions of the Ordinance, this Agreement, or any other local or state requirements. The City, the inspectors of the Regional Board, and/or the local mosquito and vector control agency, or each of their authorized agents and employees may enter the premises at any reasonable time during normal business hours and upon at least 48 hours prior written notice (except that prior written notice is not required in case of emergency) to inspect the premises related to BMPs and BMP operation and maintenance, to inspect and copy records related to storm water compliance, and to collect samples and take measurements related to BMPs. The Property Owner shall deposit and maintain a Private Job Account with the City a minimum balance of Four Thousand Dollars (\$4,000) for inspection by City Staff pursuant to this Section 3. The deposit of Four Thousand Dollars (\$4,000.00) shall be made simultaneously with the execution of this Agreement.
- (b) **Security.** The City may, upon a showing of reasonable belief of non-performance by the Owner, require the Owner, its successors and assigns, from time to time, to post security in a form, amount, and for a time period satisfactory to City to guarantee performance of the obligations stated herein. Should the Owner, its successors and assigns, fail to perform the obligations under this Agreement, the City may, in the case of a cash bond, act for the Owner, its successors and assigns, using the proceeds from such cash bond, or in the case of a surety bond, require the surety to perform the obligations of this Agreement.

SECTION 4. Failure to Perform Required Facility Repairs or Maintenance by Property Owner:

- (a) **Enforcement Action.** If the Property Owner or its successors fail to operate and maintain the BMPs in good working order and in accordance with the approved Plan and the City's Ordinance, the City may, but is not required to, pursue any enforcement action available at law or in equity to cause the completion of all maintenance and may charge the costs of such enforcement action against the Property Owner in any manner authorized by law or in equity.
- (b) **City Maintenance.** In the event of Property Owner's failure to operate and maintain BMPs in accordance with the Plan and the City's Ordinance, the City may also, with prior written notice (the "Notice"), enter the Property to return the BMPs to good working order; provided however that the Property Owner shall have 30 days after such Notice, or such other time provided by law, to cure the relevant failure and provided further that the Property Owner shall have such additional time after the initial 30 days to complete a cure so long as Property Owner commences the cure within the initial 30 days and diligently prosecutes the cure to completion. Notwithstanding the foregoing, City may in its sole discretion enter the Property to return the BMPs to good working in an emergency and take any other necessary action to mitigate an emergency without any notice to Property Owner. The City is under no obligation to maintain or

repair the BMPs, and this Agreement may not be construed to impose any such obligation on the City. If the City, under this Section 4 takes any action to return the BMPs to good working order, the Property Owner shall reimburse the City for all the reasonable costs and expenses incurred by the City. The City will provide the Property Owner with an itemized invoice of the City's costs and expenses and the Property Owner shall make full payments to the City within thirty (30) days of the date of the invoice. If the Property Owners fails to pay the invoice within thirty (30) days, the City shall be entitled to cause a lien for any such unpaid maintenance expense bill to be recorded against the Property. In addition, the City shall be entitled to have the unpaid amount of the invoice placed as a special assessment on the next regular tax bill levied against the Property, after which such assessment shall be collected in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and same procedures under foreclosure and sale in the case of delinquency as provided for ordinary municipal taxes. The actions described in this section are in addition to and not in lieu of other legal remedies provided by law. Notwithstanding the above, it is understood that City is under no obligation to repair or maintain the BMPs, and in no event shall this Agreement be construed to impose any such obligation on City.

- (c) Specific Performance. The provisions of this Agreement are expressly declared to be for the benefit of the City. The City may bring an action to obtain specific performance of this Agreement and may recover its costs, including attorney fees, incurred in bringing such action.

SECTION 5: Successors and Assigns:

Property Owner hereby declares that the Property shall be held, transferred, encumbered, used, conveyed, leased and occupied subject to the covenants, conditions, restrictions, easements and rights set forth herein for the use and benefit of each of the Lots. All of the limitations, easements, uses, obligations, covenants, restrictions and conditions stated herein shall run with the Property and shall be binding upon Property Owner, its successors and assigns, any and all parties having or acquiring any right, title or interest in or to the Property or any part thereof or interest therein and shall inure to the benefit of and be binding upon each successor-in-interest thereto.

Upon transfer of the property, the Property Owner shall provide the new owner with the current Plan and a copy of this Agreement and shall, in any event, be released from all obligations under this Agreement as of the effective date of the transfer of the Property.

SECTION 6. Indemnity:

The Property Owner, on Property Owner's behalf and on behalf of all successors in interest pursuant to Section 5 of this Agreement, shall indemnify, release, hold harmless, and defend the City and its authorized agents and employees from and against any and all demands, suits, liabilities, fines, losses, damages, accidents, casualties, occurrences or claims, including reasonable attorneys' fees, against the City which may in anyway arise or relate to the construction, operation, presence, existence or maintenance of the BMPs, or from any personal injury or property damage that may arise or relate from the City entering the property under Section 4 (the "Liabilities"). If a claim is asserted against the City, its authorized agents or employees, the City shall promptly notify the Property Owner and the Property Owner shall defend the claim and any resulting litigation at its sole cost and expense, with counsel approved by City. If any judgment is entered against the City, or its authorized agents or employees, the Property Owner must pay all costs and expenses to satisfy the judgment.

SECTION 7. Severability:

Invalidation of any one of the provisions of this Agreement shall in no way effect any other provisions, and all other provisions shall remain in full force and effect.

SECTION 8. Non-Discrimination:

The Property Owner shall not discriminate, in any way, against any person on the basis of race, sex, color, age, religion, sexual orientation, actual or perceived gender identity, disability, ethnicity, or national origin, in connection with or related to the performance of this Agreement.

SECTION 9. Governing Law:

City and Property Owner agree that the law governing this Agreement shall be that of the State of California and that Property Owner shall comply with all applicable laws, ordinances, codes and regulations of the federal, state and local governments.

SECTION 10. Recordation:

Property Owner shall, within 10 days after the effective date of this Agreement, record or cause the Agreement to be recorded in the Office of the Recorder, Santa Clara County, California, at the expense of the Property Owner, which recording shall constitute notice of the obligations herein set forth and a covenant running with the land and shall be binding upon all of the successors and assigns in title to the Property. In the event Property Owner fails to timely record this Agreement, City shall be authorized but not required to record the Agreement.

SECTION 11. Books and Records:

- A. The Property Owner shall maintain any and all ledgers, books of account, invoices, vouchers, cancelled checks, and other records or documents evidencing or relating to charges for services, or expenditures and disbursements or in anyway relating to the performance of this Agreement for a minimum period of three (3) years, or for any longer period required by law.
- B. Any records or documents required to be maintained pursuant to this Agreement shall be provided as a copy at no cost to City, upon at least 48 hours' prior written request by the City Attorney, City Manager, or a designated representative of any of these officers.

SECTION 12. Notices:

All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be personally served or mailed, postage prepaid and return receipt requested, addressed to the respective parties as follows:

To CITY:

City of Milpitas (Utility Engineering)
Attn: Utility Engineer
455 East Calaveras Blvd.
Milpitas, CA 95035

To PROPERTY OWNER:

KLA Corporation
Global Workplace Services
Attn: Chief Legal Officer
1 Technology Dr.
Milpitas, CA 95035

Notice shall be deemed effective on the date personally delivered or, if mailed, three (3) days after deposit in the mail.

SECTION 13. Venue:

In the event that suit shall be brought by either party to this contract, the parties agree that venue shall be exclusively vested in the state courts of the County of Santa Clara, or if federal jurisdiction is appropriate, exclusively in the United States District Court, Northern District of California, San Jose, California.

SECTION 14. Interpretation, Prior Agreements:

This Agreement, including all Exhibits attached hereto, represents the entire understanding of the parties as to those matters contained herein. In the event that the terms specified in any of the Exhibits attached hereto conflict with any of the terms specified in the body of this Agreement, the terms specified in the body of this Agreement shall control. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may be modified only by a written amendment duly executed by the parties to this Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, the Parties execute this Stormwater Management Facilities Operation and Maintenance Agreement as of the last date set forth below:

PROPERTY OWNER:

a Delaware corporation

By: KLA Corporation

By: 
Name: Bren Higgins
Title: EVP, CFO

By: _____
Name: _____
Title: _____

CITY:

CITY OF MILPITAS, A MUNICIPAL CORPORATION:

Recommended for approval

By:

Michael Silveira, City Engineer

Approved as to form

By:

Christian Curtis, City Attorney

By:

Willie A. Hopkins, Jr., City Manager

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Santa Clara)

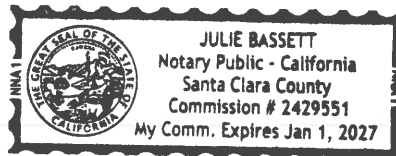
On October 25, 2023 before me, Julie Bassett, Notary Public
(insert name and title of the officer)

personally appeared Bren Higgins,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature



(Seal)

Please note that this is a placeholder for the acknowledgement. So use the most current version of the acknowledgement

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of _____)

On _____, before me, _____, a Notary Public,
personally appeared

_____, personally known to me;
_____ or _____, who proved to me on
the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within
instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon
behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

CAPACITY CLAIMED BY SIGNER:

Though statute does not require the notary to fill in the data below, doing so may prove invaluable to
persons relying on the document.

____ Individual(s)
____ Corporate Officer(s) Titles _____ and _____
____ Partner(s) _____ Limited _____ General
____ Attorney-in-Fact
____ Trustee(s)
____ Guardian/Conservator
____ Other : _____

Signer is representing: _____

ATTENTION NOTARY: Although the information requested below is optional, it could prevent fraudulent
attachment of this certificate to unauthorized document.

Title or type of document _____

Number of pages: _____ Date of document: _____

Signer(s) other than named above: _____

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED ABOVE

EXHIBIT A

Plat and Description for the site

LEGAL DESCRIPTION

Real property in the City of Milpitas, County of Santa Clara, State of California, described as follows:

PARCEL ONE:

PARCEL 3, AS SHOWN ON THAT CERTAIN PARCEL MAP ENTITLED "BEING A SUBDIVISION OF PARCEL TWO OF THAT CERTAIN PARCEL MAP RECORDED IN [BOOK 673 OF MAPS, PAGES 6, 7 AND 8](#), FILED FOR RECORD OCTOBER 30, 1997 IN [BOOK 695 OF MAPS, PAGES 31 AND 32](#).

PARCEL TWO:

PARCEL A AS SHOWN ON LOT LINE ADJUSTMENT PERMIT CONTROL NO. 2014-001, AS EVIDENCED BY DOCUMENT RECORDED APRIL 07, 2014 AS INSTRUMENT NO. [22561372](#) OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

ALL OF PARCEL 2 AS SHOWN ON THAT CERTAIN PARCEL MAP RECORDED OCTOBER 30, 1997 IN BOOK 695 OF MAPS, PAGES 31 AND 32, SANTA CLARA COUNTY RECORDS.

AND, IN ADDITION THERETO, THE FOLLOWING AREA:

BEGINNING AT THE MOST NORTHERLY COMMON CORNER BETWEEN PARCELS 1 AND 2 OF SAID PARCEL MAP;

THENCE ALONG THE COMMON LINE BETWEEN SAID PARCELS SOUTH 38°21'18" EAST, 37.26 FEET;

THENCE CONTINUING ALONG SAID COMMON LINE SOUTH 24°05'11" EAST, 336.84 FEET;

THENCE LEAVING SAID COMMON LINE THE FOLLOWING TWO (2) COURSES:

1. SOUTH 65°54'49" WEST, 90.00 FEET;
2. NORTH 24°05'11" WEST, 352.39 FEET TO THE NORTHERLY LINE OF SAID PARCEL 1;

THENCE ALONG SAID NORTHERLY LINE NORTH 51°38'42" EAST, 83.39 FEET TO THE POINT OF BEGINNING.

APN: 086-43-031 (Affects Parcel One) and 086-43-039 (Affects Parcel Two)

EXHIBIT B

Operation and Maintenance Plan



Stormwater Treatment Operation and Maintenance Plan

MILPITAS, CA

NKRAISS
OCTOBER 2023

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Copy of O & M Agreement **Error! Bookmark not defined.**

INSPECTION & MAINTENANCE LOG

Facility Name – KLA Amenities Building	
Address -	
Begin Date	End Date

Date	BMP ID	BMP DESCRIPTION	INSPECTED BY:	CAUSE FOR INSPECTION	EXCEPTIONS NOTED	COMMENTS / ACTIONS TAKEN
	A1	Flow Thru Planter				
	A2	Flow Thru Planter				
	A3	Bio-Retention Area				
	A4	Bio-Retention Area				
	A5	Bio-Retention Area				
	A6	Self-Retaining Area - Landscape				
	A7	Self-Retaining Area – Sand Volleyball Court				

UPDATES, REVISIONS, & ERRATA

Previous documented O&M: 1299-00_Operation and Maintenance Plan (March 2012)

Most recent Inspection: October 2022

INTRODUCTION

This Stormwater Control Plan for KLA-Tencor (KLA) Amenities Building is submitted to the City of Milpitas (City) as a recommendation on the use of permanent Best Management Practices (BMPs) on the site. Probable design storm flows and permanent BMP selection are presented in this report. BMP technical requirements are presented in the Stormwater C.3 Guidebook adopted by the City of Milpitas on October 6, 2005.

The project site for KLA Amenities Building is located at 1W Technology Dr. between existing buildings at 1 Technology Dr. and 3 Technology Dr. Landscape installation and other activities will be also be completed as required.

The total project area is approximately 49,440 sq.ft. of the KLA Site. Prior to construction, the existing project area consisted of two volleyball courts and surrounding landscape. The proposed project will encompass the amenities building, relocated sand volleyball court, and associated landscape/walkways.

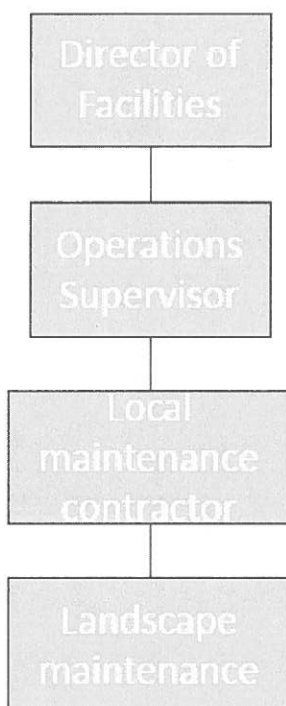
RESPONSIBILITY FOR MAINTENANCE

General

Contact Information

Designation of Individuals Responsible for Stormwater Treatment BMP O & M	
Date Completed: May 16, 2019	
Facility Name: KLA (Amenities Building)	
Facility Address: 1 Technology Dr., Milpitas, CA 95035	
Off-hours Contact	
Name: Security Control Center	Title: 24x7 Security Operations
Telephone: 408-875-7980	
Email: control.center@kla.com	
Designated Contact	
Name: David Yanda	Title: Operations Supervisor
Telephone: 408-510-220-6814	Alt: 408-875-7049
Email: david.yanda@kla.com	
Corporate Office	
Name: Nicole Kraiss	Title: Facilities Project Manager
Telephone: 408-210-2194	Alt: 408-875-5031
Email: Nicole.kraiss@kla.com	

Organization chart



O&M Agreement

An operation and maintenance agreement between KLA and the City of Milpitas will be recorded with the County of Santa Clara.

Maintenance funding

Maintenance funds will be budgeted by KLA 3 months prior to the start of each fiscal year based on proposals provided by a sub-contracted maintenance company (currently Revel Environmental Manufacturing Inc.). Maintenance funds will be secured on a yearly basis by KLA and reside under the budget category of 'Repair and Maintenance'. Unexpected expenditures for major corrective maintenance will be secured by KLA.

Staff Training Program

Employees will be trained to comply with the terms of the Operations and Maintenance Agreement to be recorded. Employees will be trained in the proper disposal of trash materials and hazardous waste. Employees will be trained to comply with the storm water inlet labels printed with the logo "No Dumping / Flows to Bay." This educational measure is intended to prevent unlawful dumping of waste materials, such into the storm drain system.

Records

KLA will maintain annual records of the operation and maintenance of the structural BMP units. The records will consist of annual inspection reports and certificates of compliance provided by the maintenance company contracted to service the structural BMP units. The reports will be available to the City inspector upon request.

Safety

Only personnel with confined space training and possessing the necessary safety equipment should enter the structural BMP units to perform maintenance or inspection procedures. Inspections of the internal components can, in most cases, be accomplished through observations from the ground surface. The removal of the sediment from the units' sump should be performed by trained personnel and all debris should be disposed of per EPA standards.

SUMMARY OF DRAINAGE AREAS & BMPS

A. Drainage areas

The Site has been classified as 7 sub-watersheds as shown in the attached C-4.1 Stormwater treatment Plan. These sub-watersheds are comprised of existing site features and proposed buildings/pathways/landscape.

B. Treatment BMPs

The KLA Amenities Project contains 2 Flow-Through Planter(s), 3 Bio-retention areas and 1 self-treating area and 1 self-retaining area. These features are located as described below and as shown in the attached C-4.1 Stormwater treatment Plan

Flow-Through Planter No. A1 is a raised planter located on the western side of the building

Flow-Through Planter No. A2 is a raised planter located on the eastern side of the building

Flow-Through Planter No. A3 is an at grade bio-retention area on the west side of the building adjacent to the proposed pathway.

Flow-Through Planter No. A4 is an at grade bio-retention area on the south side of the building adjacent to the proposed pathway.

Flow-Through Planter No. A5 is an at grade bio-retention area on the southeast side of the building adjacent to the proposed pathway.

Self-treating area No. A6 is an at grade landscape area on the southeast side of the building adjacent to the proposed pathway.

Self-retaining area No. A7 is an at grade sand volleyball court on the east side of the building adjacent to existing building #1.

I. BMP DESIGN DOCUMENTATION

The stormwater treatment BMP's are documented in the design drawings in the following drawing sets:

- C-1.9 – Details Sheet
- C-2.2 and C-2.3 – Grading Plan
- C-2.4 and C-2.5 – Improvement Plan – Notes
- C-3.1 and C-3.2 – Utilities Plan
- C-4.1 – Stormwater Treatment Plan

II. BMP MAINTENANCE SCHEDULE

A. Routine Maintenance Activities

The principal maintenance objectives are to ensure that water flows unimpeded into the stormwater treatment areas and landscaping remains attractive-in-appearance. Table 1 shows the routine maintenance activities, and the frequency at which they will be conducted.

Table 1 Routine Maintenance Activities for Flow-Through Planters		
No.	Maintenance Task	Frequency of Task
1	Inspect the planter surface area, inlets and outlets for obstructions and trash; clear any obstructions and remove trash.	Quarterly
2	Inspect planter for standing water. If standing water does not drain within 2-3 days, the surface biotreatment soil should be tilled or replaced with the approved soil mix and replanted. Use the cleanout riser to clear any underdrains of obstructions or clogging material.	Quarterly
3	Check for eroded or settled biotreatment soil media. Level soil with rake and remove/replant vegetation as necessary.	Quarterly
4	Maintain the vegetation and irrigation system. Prune and weed to keep flow-through planter neat and orderly in appearance.	Quarterly
5	Evaluate health and density of vegetation. Remove and replace all dead and diseased vegetation. Remove excessive growth of plants that are too close together.	Annually, before the rainy season begins
6	Use compost and other natural soil amendments and fertilizers instead of synthetic fertilizers, especially if the system uses an underdrain.	Annually, before the rainy season begins
7	Inspect the overflow pipe to make sure that it can safely convey excess flows to a storm drain. Repair or replace any damaged or disconnected piping. Use the cleanout riser to clear underdrains of obstructions or clogging material.	Annually, before the rainy season begins
8	Inspect the energy dissipator at the inlet to ensure it is functioning adequately, and that there is no scour of the surface mulch. Remove any accumulation of sediment.	Annually, before the rainy season begins
9	Inspect and, if needed, replace wood mulch. It is recommended that 2" to 3" of composted arbor mulch be applied once a year.	Annually, before the rainy season begins
10	Inspect system for erosion of biotreatment soil media, loss of mulch, standing water, clogged overflows, weeds, trash and dead plants. If using rock mulch, check for 3" of coverage.	Annually at the end of the rainy season and/or after large storm events,
11	Inspect system for structural integrity of walls, flow spreaders, energy dissipators, curb cuts, outlets and flow splitters.	Annually at the end of the rainy season and/or after large storm events,

B. Use of Pesticides

Do not use pesticides or other chemical applications to treat diseased plants, control weeds or removed unwanted growth. Employ non-chemical controls (biological, physical and cultural controls) to treat a pest problem. Prune plants properly and at the appropriate time of year. Provide adequate irrigation for landscape plants. Do not over water.

C. Vector Control

Standing water shall not remain in the treatment measures for more than five days, to prevent mosquito generation. Should any mosquito issues arise, contact the Santa Clara Valley Vector Control District (District). Mosquito larvicides shall be applied only when absolutely necessary, as indicated by the District, and then only by a licensed professional or contractor. Contact information for the District is provided below.

Santa Clara Valley Vector Control District

1580 Berger Dr.

San José, California 95112

Phone: (408) 918-4770 / (800) 675-1155 - Fax: (408) 298-6356

www.sccgov.org/portal/site/vector

D. Inspections

The stormwater treatment BMP Inspection and Maintenance Checklist shall be used to conduct inspections monthly (or as needed), identify needed maintenance, and record maintenance that is conducted.

Inspection and Maintenance Checklist

Property Address: 1W Technology Dr., Milpitas, CA Property Owner: KLA-Tencor

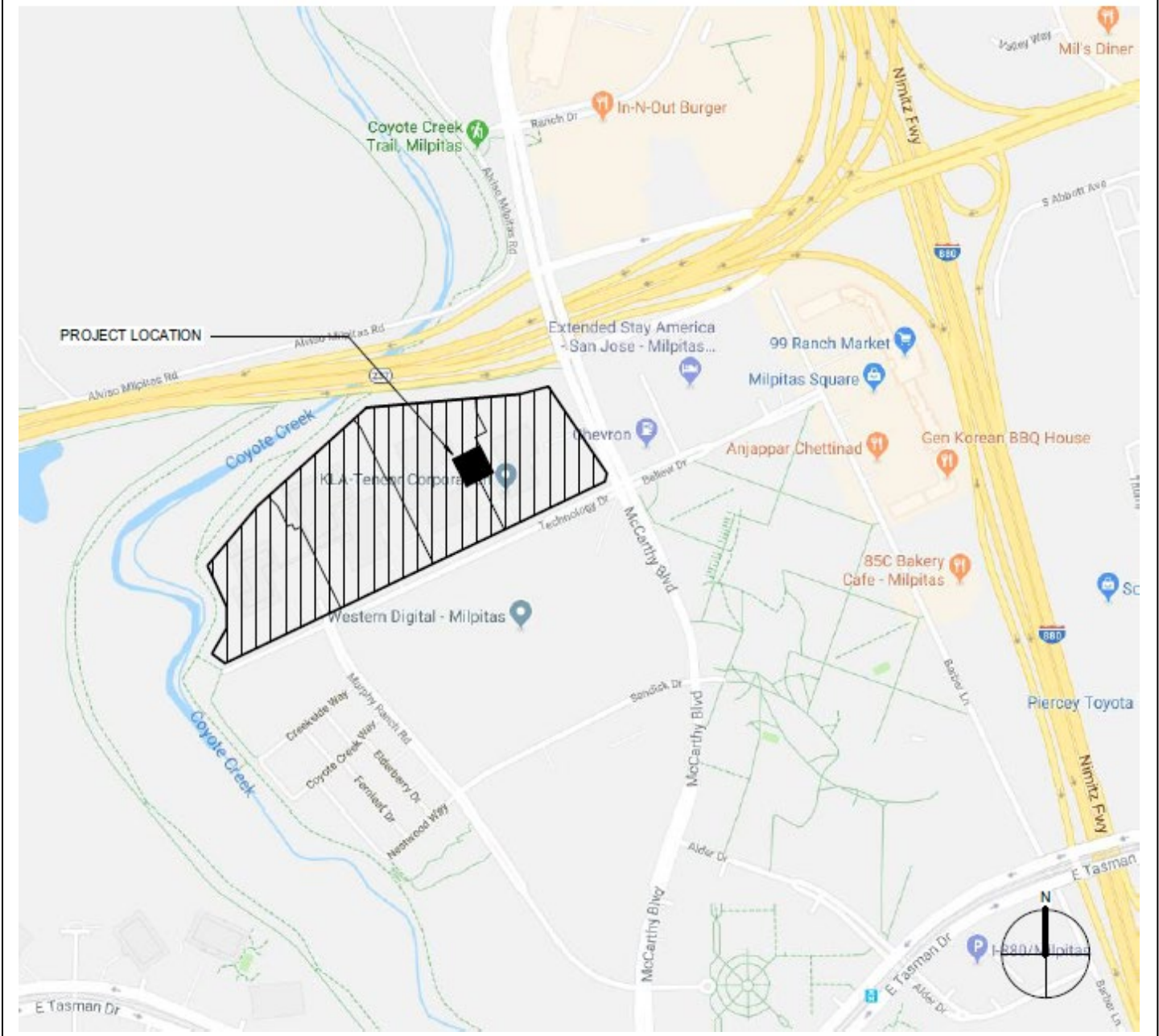
Treatment Measure No.: _____ Date of Inspection: _____

Type of Inspection: ☐ Quarterly ☐ Pre-Wet Season ☐ After heavy runoff ☐ End of Wet Season ☐ Other: _____

Inspector(s): _____

Defect	Conditions When Maintenance Is Needed	Maintenance Needed? (Y/N)	Comments (Describe maintenance completed and if needed maintenance was not conducted, note when it will be done)	Results Expected When Maintenance Is Performed
1. Vegetation	Vegetation is dead, diseased and/or overgrown.			Vegetation is healthy and attractive in appearance.
2. Soil	Soil too deep or too shallow.			Soil is at proper depth (per soil specifications) for optimum filtration and flow.
3. Mulch	Mulch is missing or patchy in appearance.			Mulch is even in appearance and 2-3" deep.
4. Sediment, Trash and Debris Accumulation	Sediment, trash and debris accumulated in the flow-through planter. Area does not drain within 3-4 hours.			Sediment, trash and debris removed from flow-through planter and disposed of properly. Area drains within 3-4 hours.
5. Clogs/Drainage	Area does not drain within 3-4 hours after rainfall.			Area drains per design specifications.
6. Downspouts and Sheet Flow	Flow to area is impeded. Downspouts are clogged or pipes are damaged. Splash blocks and rocks in need of repair, replacement or replenishment.			Downspouts and sheet flow is conveyed efficiently to the planter.
7. Overflow Pipe	Does not safely convey excess flows to storm drain. Piping damaged or disconnected.			Overflow pipe conveys excess flow to storm drain efficiently.
8. Structural Soundness	Planter walls is cracked, leaking or falling apart.			1. Cracks and leaks are repaired, and planter is structurally sound.
9. Miscellaneous	Any condition not covered above that needs attention in order for the stormwater treatment area to function as designed.			Meet the design specifications.

PROJECT LOCATION



VICINITY MAP



1 W TECHNOLOGY DRIVE,
MILPITAS, CA 95035

STORMWATER CONTROL PLAN

**KLA – New Amenity Building
1 Technology Drive
Milpitas, CA**



Prepared By:

**Luk and Associates
738 Alfred Nobel Drive
Hercules, CA 94547
(510)724-3388**

**Preparer: Manish Dalia, PE
Updated: August 7, 2019**

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Appendices

Appendix A: City C.3 Data Form

Appendix B: Stormwater Treatment Plan

I. Project Information

A. Existing Conditions:

The improvement area is approximately 1.4 acres and is located at 1-Technology Drive in the existing commercial office development site, just west of Macarthy Blvd. in Milpitas, California. Currently, the improvement area is in a moderately sloped, existing landscaped plaza-area in the center of the property, between two existing buildings.

B. New Site Description:

The project is a 2-story commercial amenity building, surrounded by outdoor patios and connective sidewalks around the building's west, south, and east sides. Parking is existing, and located to the north and south of the improvement zone. A sand surface volley-ball court will be located on the east side. A promenade sidewalk will be located on the west side.

C. Stormwater Quality Control Opportunities:

The following is a summary of opportunities for stormwater quality:

- The project has an existing awning structure on the north side of the building that will remain. Any new pavement work being installed below this roof-top surface will not require treatment due to existing roof-coverage.
- The project has an existing underground storm drain system which can be utilized to facilitate new storm water treatment facilities.
- Since the improvement area is part of a much larger existing site development; therefore the 50% rule will not apply.
- The project creates/replaces less than 1-Acre of impervious surfacing; therefore the site is exempt from Hydromodification requirements.
- Adjacent existing impervious surfaces are hard piped to the existing storm drain system; therefore they are effectively bypassed from the new improvement zone, minimizing the size of the new treatment area footprints.
- The project's small size and various available landscaping areas, treatment of stormwater infiltration planters will be possible. Bio-retention and Flow-through planters are located on the west, south, and east sides of the new building. These treatment areas will effectively treat all runoff from the new rooftop and pavement areas.

D. Stormwater Quality Control Constraints:

The following is a summary of stormwater quality constraints:

- The soil conditions (clay) on the site do not allow for infiltration of surface water; low permeability makes it undesirable for creating “wet” conditions near structures. Disposal of stormwater runoff to deep infiltration is not feasible on this site due to the low permeability soils.
- There are no groundwater concerns, since water table was found to be 19-ft below the ground surface.

E. Hydrograph Modification Management Requirements:

This project will not be required to create a Hydrograph Modification Management Plan because the project does not create over 1-Acre of impervious surface.

II. Stormwater Treatment Evaluation

This project is considered a regulated redevelopment project which replaced 10,000 SF or more of impervious surface as defined by the City of Milpitas Municipal Regional Stormwater Permit Order No. R2-2009-0074. This project will comply with the City Regional Permit.

A. Site Design Features:

The following is a summary of site design features:

- The site maximizes the use of natural features and topography. The existing terrain is moderately sloped and post construction grading conforms to the existing terrain to avoid excessive cuts and fills.
- This project will adhere to the City’s goal of limiting urban storm water pollution. All new improvement areas will be drained into the stormwater treatment facilities. All roof water will be “disconnected” (no hard pipe connection) from the underground storm drain system. All surfaces shall drain overland into stormwater treatment facilities prior to entering the storm system. These features will effectively reduce runoff pollutants. Landscape areas are strategically distributed throughout the site so that they can be utilized for treatment while respecting the existing topography of the site.

B. BMP and LID Applications:

Stormwater quality will be accomplished using various BMPs and LID applications that shall comply with the City's Stormwater Design Standards (SWDS) and to the Maximum Extent Practicable (MEP).

- Implemented a “start at the source” site design. The project uses several small areas distributed throughout the project instead of traditional large regional detention and treatment facilities.
- Limit impervious surfaces to the MEP by maximizing landscaping features within the site and protecting existing trees/landscape-areas where possible.
- Implement a grading design that will direct runoff from impervious areas to stormwater treatment areas (disconnecting impervious areas) before the flows enter the public stormwater conveyance system.
- Capture and treat stormwater runoff from relatively small and frequent storm events where most of the runoff pollutants are generated.
- Select BMP and LID applications to maximize effectiveness in removing pollutants by prioritizing “bioretention” applications with minimum eighteen (18) inches of soil and a design surface loading rate not exceeding five (5) inches per hour and fed by gravity. Bioretention soils comply with the soils specification in the Santa Clara Valley Urban Runoff Pollution Prevention Program “C.3 Storm Water Handbook.”
- Maintain the natural topography to the maximum extent practicable with grading and site plan design. The project's proposed grading plans maintain predevelopment flow pattern and overland release points.
- Redirect all new building and site impervious area runoff to designated stormwater treatment areas. The runoff will be captured during high storm events and treated/drained for low-flow events. All treatment areas will be relatively flat or gently sloped to provide low velocities. Proposed vegetation in the stormwater treatment areas comply with accepted plants listed in Appendix D of the Santa Clara Valley Urban Runoff Pollution Prevention Program “C.3 Storm Water Handbook.”
- Reduce pollutants by disconnecting 100% of new impervious areas before the flows enter the public stormwater conveyance system.
- Use site landscaping as prime opportunity sites for stormwater treatment and detention.

- Incorporate efficient irrigation methods including use of drought resistant plants. Water reuse also occurs by allowing stormwater to flow through vegetated areas and treatment areas where moisture to vegetation is achieved, ultimately reducing irrigation.

C. Measures to Limit Directly Connected Impervious Areas:

- The project disconnects 100% of the site's impervious areas. All impervious areas are directly flowing into stormwater treatment areas.

III. Description of Treatment Areas

As shown in the stormwater treatment plan, the following is a description of the treatment area and methods used.

A. Treatment Area

The project consists of a 2-story commercial development. The tributary areas consist of buildings, landscape, and treatment areas. Of the approximately 67,000 SF site, about 40,070 SF is impervious (~60%), with the remaining surface composed of pervious surfacing (40%). This project allocates ~1240 SF (~1.9%) of the site for bio-retention/flow-through planters and ~2100 SF (~3.1%) of the site for self-retention facilities. All BMPs will be designed per the City of Milpitas and Santa Clara County Stormwater Design Guidelines.

B. Location of BMPs

The BMPs are designed as follows and designated by the inlet description for each individual catchment area:

- CB#1 will collect stormwater runoff from A1, which includes the building roof top areas.
- CB#2 will collect stormwater runoff from A2, which includes the building roof top areas.
- CB#3 will collect stormwater runoff from A3, which includes the site sidewalk areas.
- CB#4 will collect stormwater runoff from A4, which includes the site sidewalk areas.
- CB#5 will collect stormwater runoff from A5, which includes the site sidewalk areas.
- AD#1 will collect stormwater runoff from A6, which includes only landscape area, and is designated as a self-treating area.
- The Sand-court will collect stormwater runoff from A7, and retain it within the designated self-retaining area, with water being stored below grade within the subbase rock section. The infiltration rate of the native soils is 0.25" per hour so the section would drain out over 3 days.

IV. Stormwater Sizing Calculations

BMPs shall be sized and utilized to provide water quality benefits, reduce runoff velocity, and increase stormwater travel time.

For bio-retention/flow-through planters, the project sizing calculations utilize the “Simplified Sizing Method” (flow-based sizing method) per the “C.3 Stormwater Handbook”, June 2016 Edition (Chapter-5:Section-7). This method of calculation specifies that the treatment area shall be “equal to 4% of the contributing impervious area”.

For Self-retaining areas, the project sizing calculations utilize the “Self-Retaining Areas” (volume-based sizing method) guideline per the “C.3 Stormwater Handbook”, June 2016 Edition (Chapter-4:Section-4:Bullet-1). This method of calculation specifies that the treatment area shall be able to “retain the first 1-inch of rainfall without producing any run-off” developed by the entire contributing drainage area.

V. Source Control Measures

The site has only building roof top and outdoor pedestrian walkway areas that would be a potential source of runoff pollutants. Commercial activities are limited to the confines of the building interiors. Sources and associated source control BMPs are in the table below.

Table 2 – Sources and Source Control BMPs	
Potential Sources	BMP Description
Education	Property owner is responsible to provide practical information materials to the employees on general practices that contribute to the protection of the storm water quality. Materials shall include: ▪ Chemical use guidelines and restrictions on the property. ▪ The proper handling of material such as fertilizers, pesticides, and cleaning solutions. ▪ The environmental and legal impacts of illegal dumping of harmful substances into storm drains and sewers. ▪ Hazardous waste collection programs. ▪ Proper procedures for spill prevention and clean up. ▪ Proper storage of materials that pose pollution risks to local waters.
Landscape Management	Ongoing management consistent with the CASQA “Stormwater Best Management Practice Handbook: New Development and Redevelopment” BMPs SD-10 & SD-12, including limiting pesticide and fertilizer usage and minimizing irrigation runoff.

BMP Maintenance	Property owner is responsible for the inspection and maintenance of structural BMPs located on the property consistent with this Stormwater Control Plan and the City of “Stormwater Development Standards”.
Employee Training	Property owner is responsible for training employees or hiring an outside consultant to properly implement this Stormwater Control Plan.
Drain Inlet Inspection	All inlets shall be marked with “No Dumping Drains to Bay” or similar message. Property owner is responsible for inspection and maintenance of all privately owned drain inlets. All drain inlets will be cleaned prior to the storm season, no later than October 1 st each year.
Street Sweeping	N/A
Vehicle Washing	Vehicle washing will be prohibited on the public streets.
Vehicle Fueling	Vehicle fueling shall be strictly prohibited on-site.
Outdoor Material Storage	Outdoor material storage shall be strictly prohibited on-site.
Fire Sprinklers	Sprinkler tests will drain to landscape treatment areas before entering the storm drain system. Sprinkler system shall be designed with a proposed method for discharge of any water.
Outdoor Pesticide Use	Where possible, pest resistant plants will be used. Planting for swales will be selected to be appropriate for the soil and moisture conditions. Landscaping is to be maintained using integrated pest management principles with minimal or no use of pesticides. Tenants will receive pest management information.
Garbage Storage Areas	All dumpsters will be marked with “Do not dump hazardous materials here” or similar.
Patios and Walkways	All patio and walkway areas will drain to landscape treatment areas before entering the storm drain system.

VI. Permitting and Code Compliance

- There are no known conflicts between the proposed stormwater control plan and the City of Milpitas ordinances or policies.

VII. BMP Operation and Maintenance

A. Means to Finance and Implement BMP Maintenance:

Proper maintenance and operation of stormwater management facilities will be the responsibility of the owner. All necessary forms or agreements will be established between the City and developer during the course of final completion of the stormwater control plan.

The applicant will prepare and submit, for the City's review, an acceptable Stormwater Control Operation and Maintenance Plan prior to completion of the construction and will execute a Stormwater Management Facilities Operation and Maintenance Agreement before sale, transfer, or permanent occupancy of the site. The applicant accepts responsibility for maintenance of stormwater management facilities until such responsibility is transferred to another entity.

B. Summary of Maintenance Requirements:

Bio-Retention/Flow-Through planters remove pollutants primarily by filtering runoff slowly through an active layer of soil. Routine maintenance is needed to insure that flow is unobstructed, that erosion is prevented, and that soils are held together by plant roots and are biologically active. Typical routine maintenance consists of the following:

- Inspect inlets for channels, exposure of soils, or other evidence of erosion. Clear any obstructions and remove any accumulation of sediment. Examine rock or other material used as a splash pad and replenish if necessary.
- Inspect outlets for erosion or plugging.
- Inspect side slopes for evidence of instability or erosion and correct as necessary.
- Observe soil in the swale or planter for uniform percolation throughout. If portions of the swale or filter do not drain within 48-hours after the end of a storm, the soil should be tilled and replanted. Remove any debris or accumulation of sediment.
- Confirm that any check dams and flow spreader are in place and level and that channelization within the swale or filter is effectively prevented.

- Examine the vegetation to insure that it is healthy and dense enough to provide filtering and to protect soils from erosion. Replenish mulch as necessary, remove fallen leaves and debris, prune large shrubs or trees, and mow turf areas. Confirm that irrigation is adequate and not excessive. Replace dead plants and remove invasive vegetation.
- Abate any potential vectors by filling holes in the ground in and around swale and by insuring that there are no areas where water stands longer than 48-hours following a storm. If mosquito larvae are present and persistent, contact the Santa Clara County Vector Control District for information and advice. Mosquito larvicides should be applied only when absolutely necessary and then only by a licensed contractor.
- Maintenance of stormwater treatment areas will be required a minimum of one (1) time per year at the beginning of the rainy season. Additional maintenance may be required throughout the rainy season if excessive debris is found within the swales, or the swales do not drain completely in 48-hours after a rain event.
- Allow leaf drop to become part of the mulch layer in tree, shrub and groundcover areas.
- Keep lawn mower blades sharp and recycle grass clippings.
- Collect lawn and garden clippings, pruning waste, and tree trimming. Chip if necessary, and compost or take to the local municipal yard waste recycling/composting facility.
- Sweep paved areas regularly to collect loose particles. Wipe up spills with rags and other absorbent material immediately; do not hose down the area to a storm drain.

APPENDIX A:



City of Milpitas – Stormwater Requirements C.3 Data Form

Santa Clara Valley Urban Run-Off Pollution Prevention Program

Which Projects Must Comply with Stormwater Requirements?

All projects that create and/or replace **10,000 sq. ft.** or more of impervious surface on the project site must fill out this worksheet and submit it with the development project application.

All restaurants, auto service facilities, retail gasoline outlets, and uncovered parking lot projects (stand-alone or part of another development project, including the top uncovered portion of parking structures) that create and/or replace **5,000 sq. ft.** or more of impervious surface on the project site must also fill out this worksheet.

Interior remodeling projects, routine maintenance or repair projects such as re-roofing and re-paving, and single family homes that are not part of a larger plan of development are **NOT** required to complete this worksheet.

What is an Impervious Surface?

An impervious surface is a surface covering or pavement that prevents the land's natural ability to absorb and infiltrate rainfall/stormwater. Impervious surfaces include, but are not limited to rooftops, walkways, paved patios, driveways, parking lots, storage areas, impervious concrete and asphalt, and any other continuous watertight pavement or covering. Pervious pavement, underlain with pervious soil or pervious storage material (e.g., drain rock), that infiltrates rainfall at a rate equal to or greater than surrounding unpaved areas OR that stores and infiltrates the water quality design volume specified in Provision C.3.d of the Municipal Regional Stormwater Permit (MRP) is not considered an impervious surface.

For More Information

For more information regarding selection of Best Management Practices for stormwater pollution prevention or stormwater treatment in Santa Clara County: http://www.scvurppp-w2k.com/c3_handbook_2012.shtml

1. Project Information

Project Name: KLA Tencor Building (P-SD18-0011) **APN #** 086-43-031 & 086-43-039

Project Address: 1 Technology Drive, Milpitas, Ca

Cross Streets: McCarthy Blvd (to east)

Applicant/Developer Name: Ms. Nicole Kraiss

Project Phase(s): 1 of 1 **Engineer:** Luk & Associates

Project Type (Check all that apply): ☐ New Development ☐ Redevelopment

☐ Residential ☐ Commercial ☒ Industrial ☐ Mixed Use ☐ Public ☐ Institutional

☐ Restaurant ☐ Uncovered Parking ☐ Retail Gas Outlet ☐ Auto Service (SIC code) _____

☒ Other designated "Light Industrial" per zoning (M1) (5013-5014, 5541, 7532-7534, 7536-7539)

Project Description: Construct a ~25,000-sf two-story building on the existing campus property. Includes Lot-Merger and adjacent site and utility service improvements.

Project Watershed/Receiving Water (creek, river, or bay): Coyote Creek

2. Project Size

a. Total Site Area: 20 acre	b. Total Site Area Disturbed: 66,981 SF 1.54 acre (including clearing, grading, or excavating)			
	Existing Area (ft²)	Proposed Area (ft²)		Total Post-Project Area (ft²)
		Replaced	New	
Impervious Area				
Roof	6422 (6422-remain)	0	14748	14748
Parking	0	0	0	0
Sidewalks and Streets	12677 (5432-remain)	0	13467	13467
c. Total Impervious Area	19099 (11854-remain)	0	28215	28215
d. Total new and replaced impervious area		28215 (< 1-Acre)		
Pervious Area				
Landscaping	47882	0	38766	38766
Pervious Paving	0	0	0	0
Other (e.g. Green Roof)	0	0	0	0
e. Total Pervious Area	47882	0	38766	38766
f. Percent Replacement of Impervious Area in Redevelopment Projects (Replaced Total Impervious Area ÷ Existing Total Impervious Area) x 100% = 0 %				

3. State Construction General Permit Applicability:

a. Is #2.b. equal to one acre or more?

- ☒ Yes, applicant must obtain coverage under the State Construction General Permit (i.e., file a Notice of Intent and prepare a Stormwater Pollution Prevention Plan) (see www.swrcb.ca.gov/water_issues/programs/stormwater/construction.shtml for details).
- ☐ No, applicant does not need coverage under the State Construction General Permit.

4. MRP Provision C.3 Applicability:

a. Is #2.d. equal to **10,000** sq. ft. or more, or **5,000** sq. ft. or more for restaurants, auto service facilities, retail gas outlets, and uncovered parking?

- ☒ Yes, C.3. source control, site design, and treatment requirements apply.
- ☐ No, C.3. source control and site design requirements may apply – check with local agency

b. Is #2.f. equal to 50% or more?

- ☐ Yes, C.3. requirements (site design, source control, as appropriate, and stormwater treatment) apply to entire site.
- ☒ No, C.3. requirements only apply to impervious area created and/or replaced.

5. Hydromodification Management (HM) Applicability:

a. Does project create and/or replace one acre or more of impervious surface AND is the total post-project impervious area greater than the pre-project (existing) impervious area?

- ☐ Yes (continue) ☒ No – exempt from HM, go to page 3

b. Is the project located in an area of HM applicability (green area) on the HM Applicability Map? (www.scvurppp-w2k.com/hmp_maps.htm)

- ☐ Yes, project must implement HM requirements
- ☐ No, project is exempt from HM requirements

6. Selection of Specific Stormwater Control Measures:

Site Design Measures

- ☒ Minimize land disturbed
- ☒ Minimize impervious surfaces
- ☐ Minimum-impact street or parking lot design
- ☐ Cluster structures/pavement
- ☒ Disconnected downspouts
- ☐ Pervious pavement
- ☐ Green roof
- ☒ Microdetention in landscape
- ☒ Other self-treating area
- ☒ Self-retaining area
- ☐ Rainwater harvesting and use (e.g., rain barrel, cistern connected to roof drains) ¹
- ☐ Preserved open space:
_____ ac. or sq. ft
(circle one)
- ☐ Protected riparian and wetland areas/buffers
(Setback from top of bank: _____ ft.)
- ☐ Other _____

Source Control Measures

- ☐ Alternative building materials
- ☐ Wash area/racks, drain to sanitary sewer²
- ☐ Covered dumpster area, drain to sanitary sewer²
- ☐ Sanitary sewer connection or accessible cleanout for swimming pool/spa/fountain²
- ☐ Beneficial landscaping (minimize irrigation, runoff, pesticides and fertilizers; promotes treatment)
- ☐ Outdoor material storage protection
- ☐ Covers, drains for loading docks, maintenance bays, fueling areas
- ☐ Maintenance (pavement sweeping, catch basin cleaning, good housekeeping)
- ☒ Storm drain labeling
- ☐ Other _____

Treatment Systems

- ☐ None (all impervious surface drains to self-retaining areas)

LID Treatment

- ☐ Rainwater harvest and use (e.g., cistern or rain barrel sized for C.3.d treatment)
- ☐ Infiltration basin
- ☐ Infiltration trench
- ☐ Exfiltration trench
- ☐ Underground detention and infiltration system (e.g. pervious pavement drain rock, large diameter conduit)

Biotreatment ³

- ☒ Bioretention area
- ☒ Flow-through planter
- ☐ Tree box with bioretention soils
- ☐ Other _____

Other Treatment Methods

- ☐ Proprietary tree box filter⁴
- ☐ Media filter (sand, compost, or proprietary media)⁴
- ☐ Vegetated filter strip⁵
- ☐ Dry detention basin⁵
- ☐ Other _____

Flow Duration Controls for Hydromodification Management (HM)

- ☐ Detention basin
- ☐ Underground tank or vault
- ☐ Bioretention with outlet control
- ☐ Other _____

¹ Optional site design measure; does not have to be sized to comply with Provision C.3.d treatment requirements.

² Subject to sanitary sewer authority requirements.

³ Biotreatment measures are allowed only with completed feasibility analysis showing that infiltration and rainwater harvest and use are infeasible.

⁴ These treatment measures are only allowed if the project qualifies as a "Special Project".

⁵ These treatment measures are only allowed as part of a multi-step treatment process.

7. Treatment System Sizing for Projects with Treatment Requirements

Indicate the hydraulic sizing criteria used and provide the calculated design flow or volume:

Treatment System Component	Hydraulic Sizing Criteria Used ³	Design Flow or Volume (cfs or cu.ft.)
Bio-Retention & Flow-Through Planters	2c	0.18 cfs

³Key: 1a: Volume – WEF Method
1b: Volume – CASQA BMP Handbook Method
2a: Flow – Factored Flood Flow Method
2b: Flow – CASQA BMP Handbook Method
2c: Flow – Uniform Intensity Method
3: Combination Flow and Volume Design Basis

8. **Alternative Certification:** Was the treatment system sizing and design reviewed by a qualified third-party professional that is not a member of the project team or agency staff?

☐ Yes ☒ No Name of Reviewer: _____

9. Operation & Maintenance Information

A. Property Owner's Name: KLA Tencor

B. Responsible Party for Stormwater Treatment/Hydromodification Control O&M:

a. Name: Manish Dalia - Luk and Associates
b. Address: 738 Alfred Nobel Drive, Hercules CA 94547
c. Phone/E-mail: 510-724-3388 - Manish@lukassociates.com

This section to be completed by City of Milpitas staff.

O&M Responsibility Mechanism

Indicate how responsibility for O&M is assured. Check all that apply:

- ☐ O&M Agreement
☐ Other mechanism that assigns responsibility (describe below):

Reviewed:

Planning Department

Planning Division: _____

Other (Specify): _____

Public Works Department

Land Development: _____

Other (Specify): _____

APPENDIX B:

KLA - NEW
AMENITY
BUILDING (C&S)



1 TECHNOLOGY DRIVE, MILPITAS,
CA 95035

Owner:
KLA Corporation
1 Technology Drive
Milpitas, CA 95035
408.875.3000 voice
www.kla.com

Architect:
Gould Evans Associates
95 Brady Street
San Francisco, CA 94103
415.503.1411 voice
www.goulddevans.com

IA Interior Architects
2755 Great America Way, Suite 175
Santa Clara, CA 95054
650.925.4150 voice
www.interiorarchitects.com

Landscape:
April Phillips Design Works, Inc.
819 Fifth Avenue
San Rafael, CA 94901
415.457.2774 voice
www.apdw.com

Structural Engineer:
Thornton Tomasetti
650 California St., Suite 1400
San Francisco, CA 94108
415.365.6900 voice
www.thorntontomasetti.com

Civil Engineer:
Luk and Associates
738 Alfred Nobel Drive
Hercules, CA 94547
510.724.3388 voice
www.lukassociates.com

Mechanical Engineer:
AGC, Inc.
745 - B Camden Avenue
Campbell, CA 95008
408.369.6305 voice
www.agcinc.com

Electrical Engineer:
Prime Electric
2023 O'Toole Avenue
San Jose, CA 95131
925.961.1600 voice
www.primeelectric.com

Plumbing Engineer:
Crichtfield Mechanical, Inc.
1901 Junction Ave.,
San Jose, CA 95131
408.437.7000 voice
www.cmlivac.com

Acoustic Consultant:
Charles M. Salter Associates, Inc.
130 Sutter Street, Floor 5
San Francisco, CA 94104
415.397.0442 voice
www.cmsalter.com

Kitchen Consultant:
RAS Design Group
630 Esplanade Street
Martinez, CA 94533
925.372.0222

UNLESS A PROFESSIONAL SEAL WITH SIGNATURE AND DATE
IS AFFIXED, THIS DOCUMENT IS PRELIMINARY AND IS NOT
INTENDED FOR CONSTRUCTION, RECORDING PURPOSES OR
IMPLEMENTATION



Number	Revision Description	Date
1	PC #1 - SITE IMPROVEMENT	05/16/19
5	PC #2 - SITE IMPROVEMENT	08/08/19

Project No 1117-0220
Date: 8/8/2019
Scale: 1" = 20'
Job No.: 14092A10
File No.: MASTER-14092A10.dwg

STORMWATER
TREATMENT PLAN

C-4.1

PLAN CHECK #2 - ON-SITE IMPROVEMENT

Plot Date: 8/7/2019

* 4% OF IMP. SURFACE +10% PERM AREA PER TREATMENT ONLY (LESS THAN 1--ACRE OF IMPERVIOUS SURFACE)
** INCLUDES EXISTING IMP. SURFACE THAT DRAINS INTO DMA
*** EXISTING AWNING IS TO REMAIN UNCHANGED. IF THE AWNING IS CHANGED, THEN RUNOFF FROM IT WILL HAVE
TO BE TREATED AND THE STORMWATER TREATMENT PLAN MODIFIED TO REFLECT THE TREATMENT

DMA & IMP NAME	TYPE	A SIZING FACTOR	D.M. AREA (S.F.)	RUNOFF SURFACE TYPE	MIN. SIZE (S.F.)	PLANNED SIZE (S.F.)
A1	FLOW THRU PLANTER	4% *	6683	IMPERVIOUS	269	290
			304	PERVIOUS		
A2	FLOW THRU PLANTER	4% *	8065	IMPERVIOUS	324	327
			457	PERVIOUS		
A3	BIO-RETENTION AREA	4% *	4578	IMPERVIOUS	215	229
			8025	PERVIOUS		
A4	BIO-RETENTION AREA	4% *	5968	IMPERVIOUS **	260	280
			5306	PERVIOUS		
A5	BIO-RETENTION AREA	4% *	4256	IMPERVIOUS **	178	190
			1850	PERVIOUS		
A6	SELF-TREATING AREA	N/A	0	IMPERVIOUS	N/A	N/A
			712	PERVIOUS		
A7	SELF-RETAINING AREA	N/A	4213	IMPERVIOUS	1"CAPTURE (DMA 14,256) =1196'-0"	2144'-0" (17"SECTION) (VOID=0.4) =1215'-0"
			10143	PERVIOUS		
A-AWNING	EXISTING AREA (EX.CONDITION)**	N/A	6422	EX.IMPERVIOUS	N/A	N/A
			0	PERVIOUS		EX.ROOF IS HARD PIPED (EX.CONDITION)

LEGEND

IMPERVIOUS SURFACE (PROPOSED)
[INCLUDES: CONCRETE, CONCRETE PAVERS, ROOF]

IMPERVIOUS SURFACE
(EXISTING TO REMAIN)

STORMWATER TREATMENT AREA
[INCLUDES: BIO-RETENTION, FLOW-THROUGH, SELF-RETAINING]

DRAINAGE MANAGEMENT AREA LIMIT

A# DRAINAGE MANAGEMENT AREA

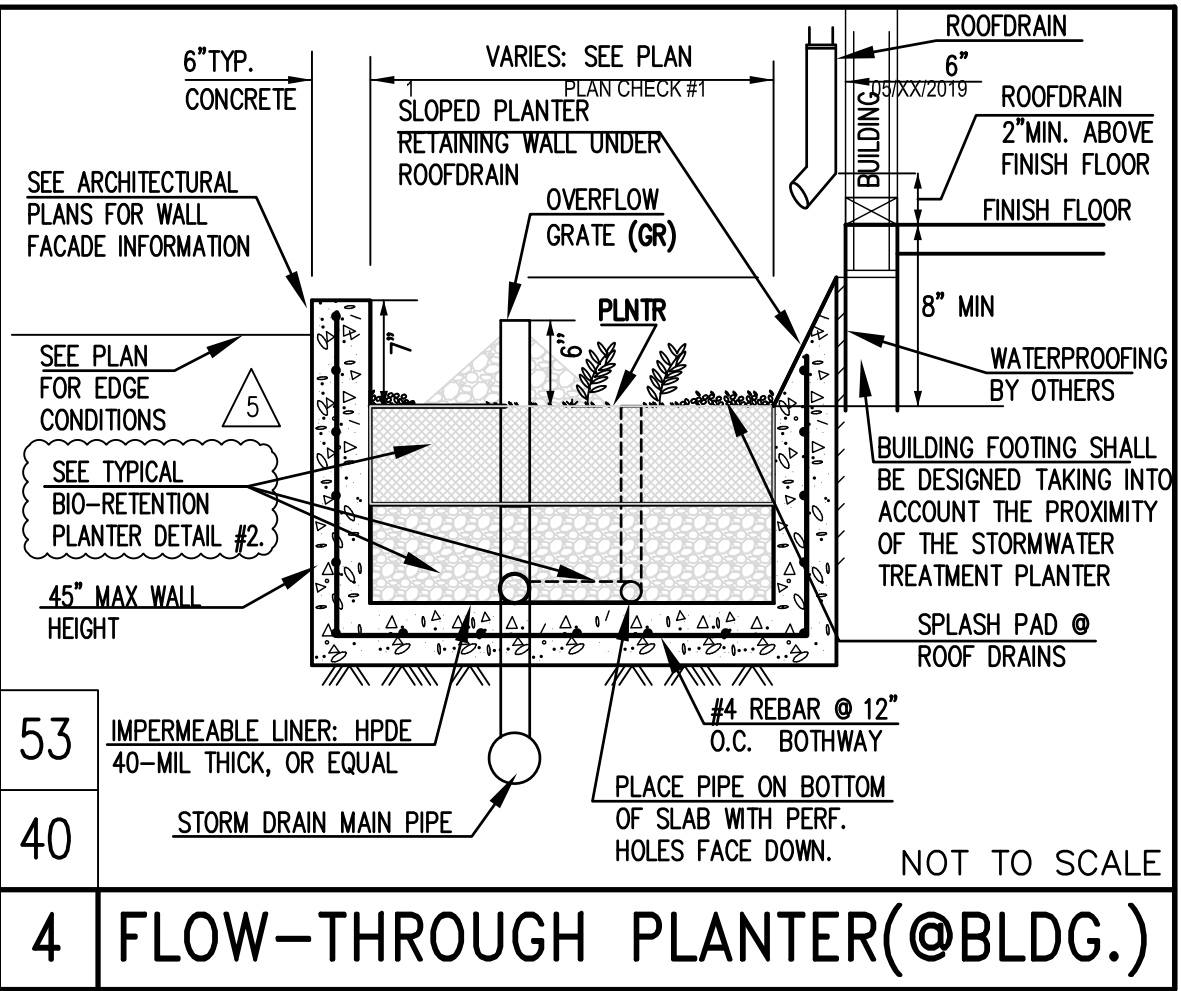
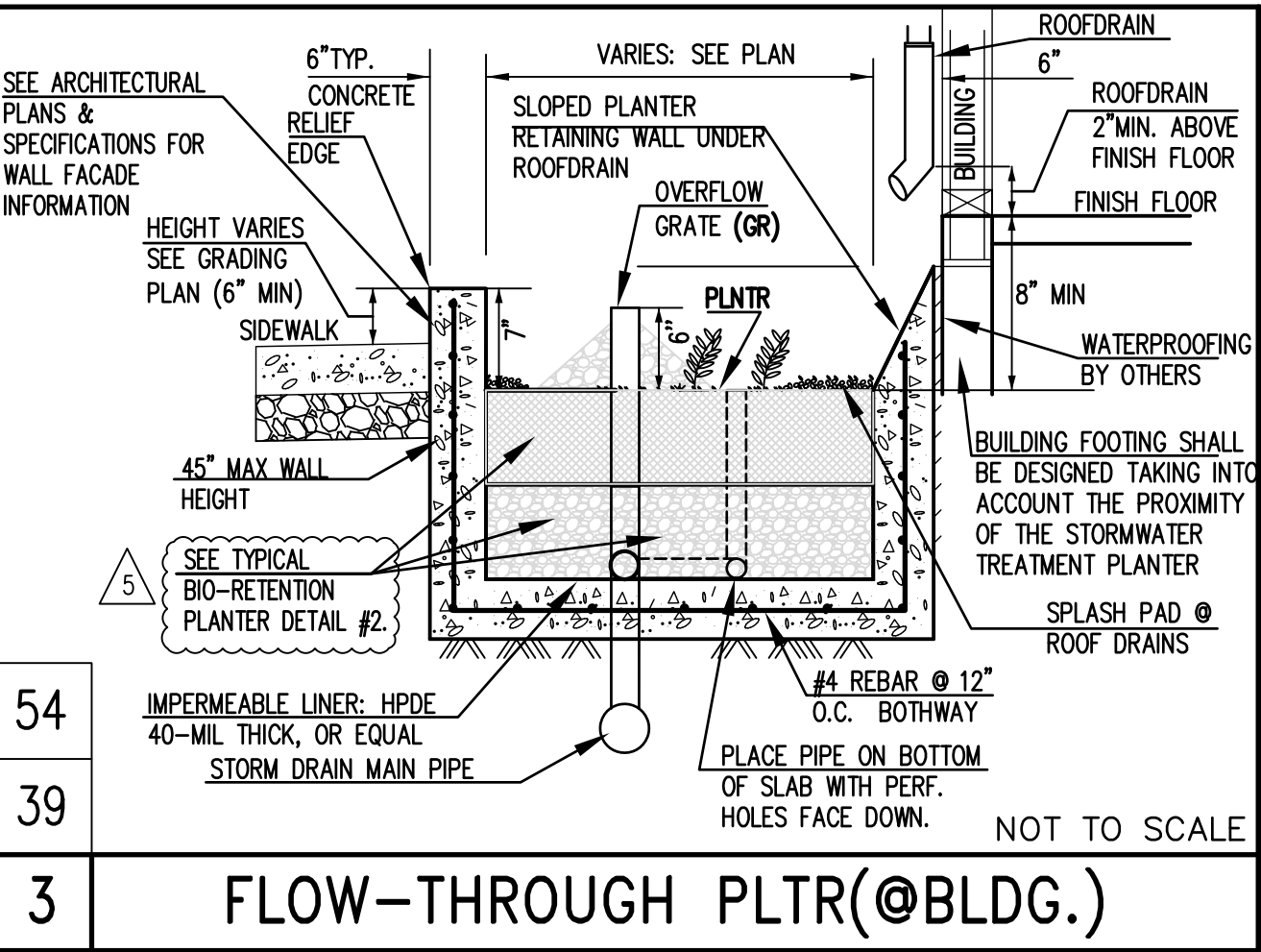
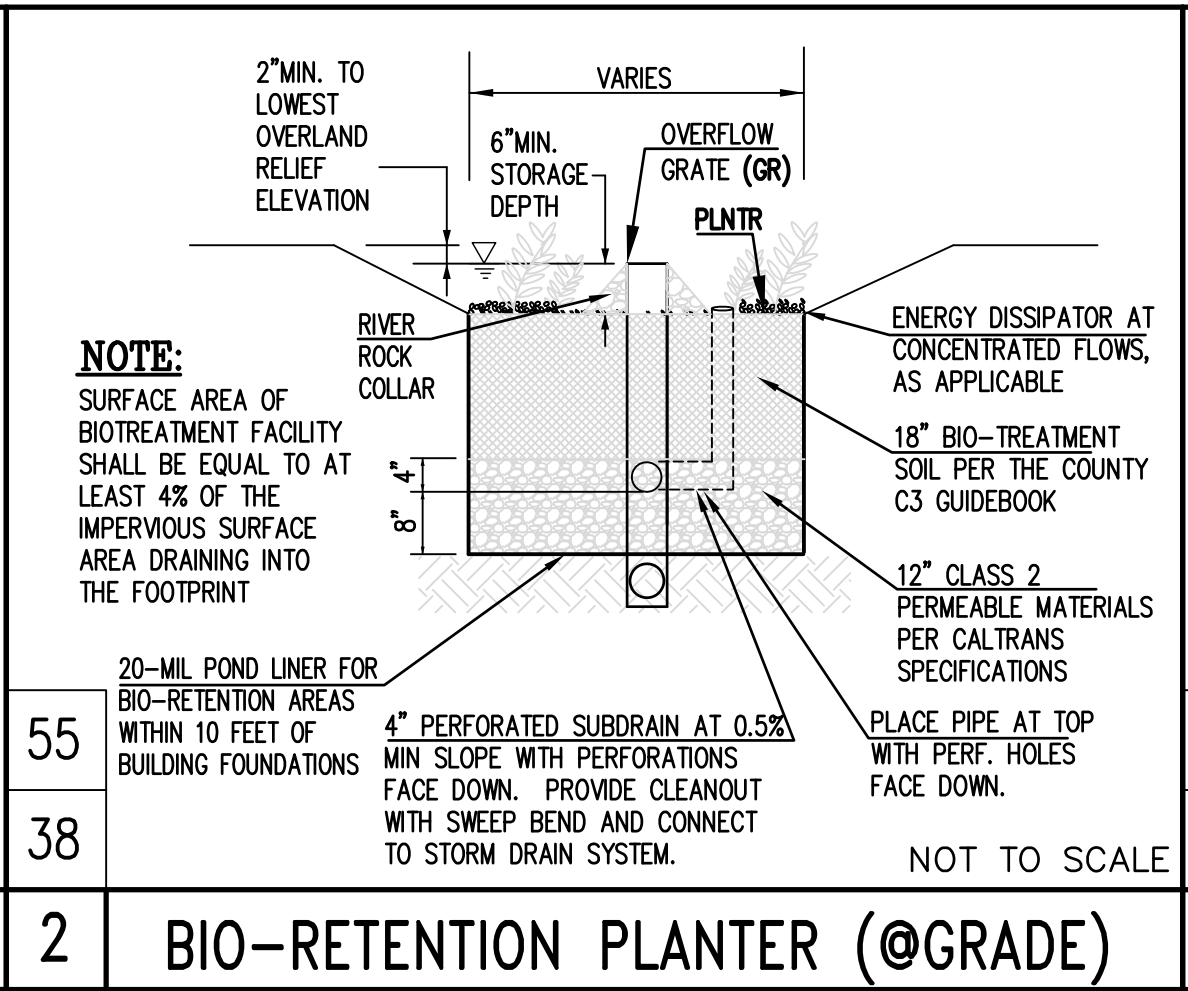
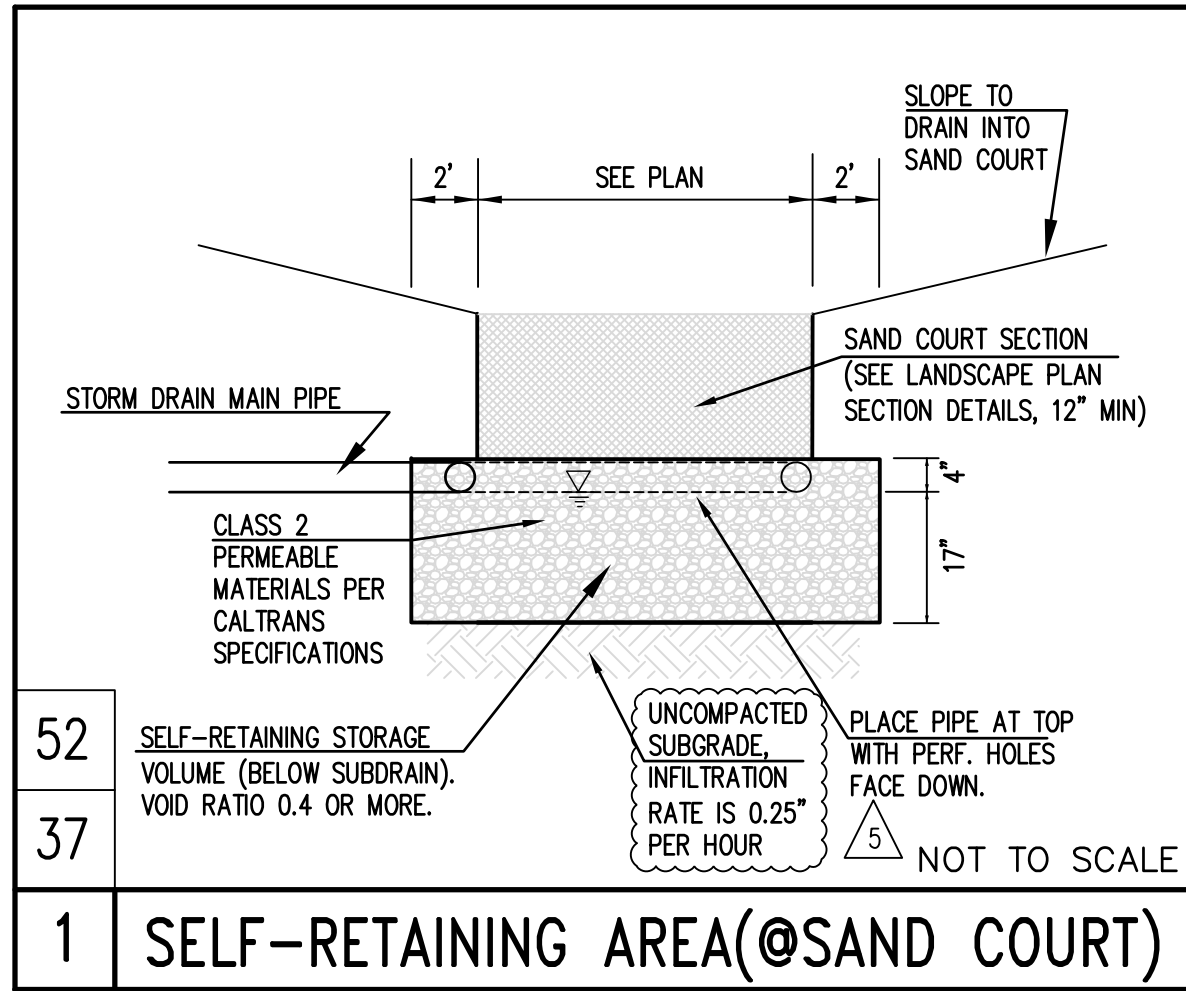
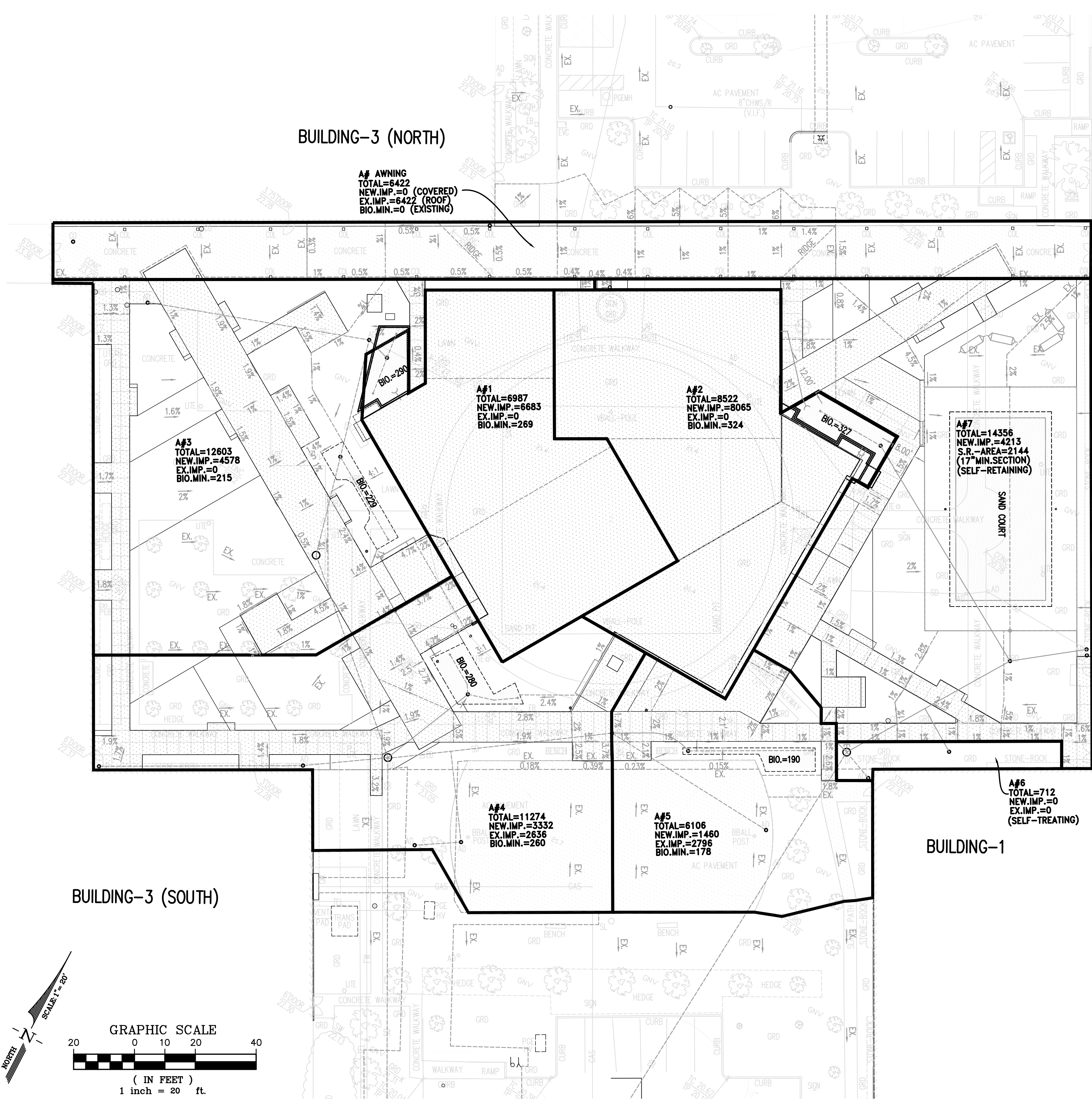
TOTAL = TOTAL DRAINAGE AREA

NEW.IMP. = IMPERVIOUS AREA (PROPOSED)

EX.IMP. = IMPERVIOUS AREA
(EXISTING TO REMAIN)

BIO.MIN.= MINIMUM BIO-RETENTION AREA
REQUIRED.

SR-AREA= SELF-RETAINING AREA





CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution to Accept the Improvements and Authorize the City Engineer to File a Notice of Completion and Issue a Notice of Final Acceptance after the One-Year Warranty for Curtis Recycled Water Line Repair Project – Phase 1 (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	9/1/2026
Recommendation:	Adopt a resolution to accept the improvements for the Curtis Recycled Water Line Repair Project – Phase 1, and authorize the City Engineer to file a Notice of Completion and issue a Notice of Final Acceptance after the one-year warranty.

BACKGROUND:

On [April 21, 2026](#), by Resolution No. 9500, the City Council awarded a construction contract to GSW Construction, Inc. ("Contractor") for the Curtis Ave. Recycled Water Line Repair – Phase 1 Project ("Project") and appropriated \$205,130 to the Water Operations & Maintenance Fund, consisting of \$164,130 for the construction contract and \$41,000 for change order contingency. The work included excavating a pit to access the 20-inch recycled water main within the City's utility easement at 777 Gibraltar Drive and performing a CCTV inspection to locate the leak that occurred in April 2025. The main is operated under the Operation and Maintenance Agreement between the City of Milpitas and the City of San José, under which San José reimburses the City for recycled water system costs.

ANALYSIS:

The Project was successfully completed on time and within budget and identified the location of the leak to start the design to repair the recycled water main. Staff recommend the City Council adopt a resolution (Attachment A) accepting the Project and authorizing the City Engineer to file a Notice of Completion, attached to the resolution as Exhibit A, in accordance with the provisions of Section 9204 of the Civil Code. Staff also recommend the City Council authorize the City Engineer to issue a Notice of Final Acceptance after the one-year warranty period without further City Council action, provided that all warranty work is completed to the satisfaction of the City Engineer.

POLICY ALTERNATIVES:

Alternative: Deny the adoption of the Resolution granting acceptance of the Project and filing the Notice of Completion.

Pros: None.

Cons: A denial would result in the City being unable to accept the completed improvements and commence the one-year warranty in accordance with the contract documents.

Reason not Recommended: The Contractor has completed the Project in accordance with the approved contract documents. A denial to accept the Project could be considered as a breach of contract and risk a possible claim by the Contractor.

PROJECT SCHEDULE/KEY MILESTONES:

Following this action, the City Engineer will issue the Notice of Final Acceptance after the one-year warranty period provided all required warranty work is completed upon satisfaction. In addition, staff will solicit a

consultant to prepare plans and specifications for the repair of the recycled water main in the coming months to start construction by the summer of 2027.

FISCAL IMPACT:

On April 21, 2026, by Resolution No. 9500, the City Council appropriated \$205,130 to the Water Operations & Maintenance Fund for the Curtis Ave. Recycled Water Line Repair – Phase 1 Project, consisting of \$164,130 for the construction contract with GSW Construction, Inc. and \$41,000 for contract change order contingency. Pursuant to the Operation and Maintenance Agreement between the City of Milpitas and the City of San José, all project costs are fully reimbursed by the City of San José, resulting in no net impact to the Water Operations & Maintenance Fund or the General Fund. Acceptance of the improvements carries no additional fiscal impact.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The Project consists of the operation, repair, maintenance, permitting, leasing, licensing or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use and is exempt from CEQA pursuant to Cal. Code Regs., tit. 14, § 15301.

ATTACHMENTS:

(a) Resolution and Notice of Completion

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS
GRANTING ACCEPTANCE OF THE CURTIS RECYCLED WATER LINE
REPAIR PROJECT – PHASE 1 AND AUTHORIZING THE CITY ENGINEER TO
FILE A NOTICE OF COMPLETION AND ISSUE A NOTICE OF FINAL
ACCEPTANCE**

WHEREAS, on April 21, 2026, the City Council, by Resolution No. 9500, awarded a contract to GSW Construction, Inc. in the amount of \$164,130 for the Curtis Ave. Recycled Water Line Repair – Phase 1 Project ('Project'); and

WHEREAS, the City Engineer of the City of Milpitas has recommended acceptance of said improvements as completed in accordance with plans, specifications and approved change orders and correction lists, and in accordance with the final inspection of said City Engineer.

NOW, THEREFORE, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which may include but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The City of Milpitas does hereby accept said improvements as completed on this 1st day of September, 2026, and does hereby authorize and direct the City Engineer of the City of Milpitas to file a Notice of Completion in accordance with the provisions of Section 9204 of the Civil Code of the State of California, and does hereby authorize and direct the City Engineer to file a Certificate of Completion in accordance with the provisions of Section 4005 of the Government Code of the State of California, if said work was by day's labor or force account.
3. The City Council authorizes the City Engineer to issue the Notice of Final Acceptance after the one-year warranty period without further City Council action, provided all required warranty repairs are completed to the satisfaction of the City Engineer.
4. Nothing herein contained shall in any way be deemed to be a waiver, release or relinquishment by City of any obligations imposed upon the contractor or its surety, or sureties, by law or by the above-referenced improvement contract, save and except those obligations specifically mentioned herein.

PASSED AND ADOPTED this 1st day of September, 2026 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Suzanne Guzzetta, City Clerk

APPROVED AS TO FORM:

Christian M. Curtis, City Attorney

APPROVED:

Carmen Montano, Mayor

Recording Requested by and
When Recorded Mail to:

City of Milpitas
455 East Calaveras Boulevard
Milpitas, CA 95035
Attention: City Clerk

Record without fee under
Section 6103 - Government Code
State of California

CITY OF MILPITAS
NOTICE OF COMPLETION
(Civil Code Section 9204)

NOTICE IS HEREBY GIVEN:

1. On or about April 21, 2026, the City Council of the City of Milpitas, a municipal corporation of the State of California, whose address is City Hall, 455 East Calaveras Boulevard, Milpitas, California, 95035 (as owner) entered into a contract for work of: **Curtis Ave. Recycled Water Line Repair Project – Phase 1.**
2. A description of the site of which the City is owner for said work of improvements is: **in the utility easement at 777 Gibraltar Drive** in the City of Milpitas, Santa Clara County, California, more particularly described on the plans.
3. The name and address of the direct contractor is: **GSW Construction, Inc., 101 The Embarcadero, San Francisco, CA 94105.**
4. A general statement of the kind of work done or materials furnished to the City is as follows: **To identify the exact location of the leak from April 2025 by excavation and video inspection of the 20-inch recycled water main.**
5. Said work of improvements was accepted by the Milpitas City Council as complete on September 1, 2026.

I, the undersigned, declare that I am the **City Engineer** of the City of Milpitas and am authorized to execute the foregoing Notice of Completion and this Verification thereof. I have read the foregoing Notice of Completion. I declare under penalty of perjury that the foregoing Notice of Completion is true and correct. Executed on _____, 2026 at Milpitas, California.

Michael Silveira, P.E., City Engineer
City of Milpitas

NOTE: RECORD WITHIN 15 DAYS OF ACCEPTANCE WITH COUNTY RECORDER OF SANTA
CLARA COUNTY



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt Ordinance No. 232.2 Amending Chapter 3, Backflow Prevention and Cross-Connection Control, of Title VIII of the Milpitas Municipal Code (Staff Contact: Christian Di Renzo, Public Works Director, 408-586-2602; and Michael Silveira, City Engineer, 408-586-3303)
Category:	Public Hearings-Community Services and Sustainable Infrastructure
Meeting Date:	8/18/2026
Recommendation:	Waive the second reading and adopt Ordinance No. 232.2 amending Chapter 3, Backflow Prevention and Cross-Connection Control, of Title VIII of the Milpitas Municipal Code to align and comply with the Cross-Connection Policy Handbook, adopted by the California State Water Resources Control Board.

BACKGROUND:

On [June 9, 2026](#), the City Council introduced Ordinance No. 232.2 at the public hearing to amend Chapter 3 - Backflow Prevention and Cross-Connection Control of Title VIII of the Milpitas Municipal Code. There have been no changes to the Ordinance since the first reading; it is now ready for its second reading and adoption.

ANALYSIS:

Adopting the amendments to the Ordinance will align and comply with the Cross-Connection Policy Handbook (CCCPH), adopted by the California State Water Resources Control Board, which ensures safeguards for the City's water system against potential contamination. In summary, the amendments provides the City with the authority to implement its City's Cross-Connection Control Plan (CCCP), includes updated definitions, gives rights to the City to enter private property for inspections, provides guidelines for installing, inspecting, repairing, and/or replacing backflow prevention assemblies (BPAs) as required to protect the public water system and lastly provides for enforcement for non-compliance, allowing the City to deny or discontinue water service. Staff recommends the City Council adopt Ordinance No. 232.2 (Attachment A) to amend Chapter 3 - Backflow Prevention and Cross-Connection Control of [Title VIII](#) of the Milpitas Municipal Code.

PROJECT SCHEDULE/KEY MILESTONES

Following adoption of Ordinance 232.2, a summary of the adopted ordinance will be posted in the Milpitas Post within 30 days of the August 18, 2026 hearing.

POLICY ALTERNATIVE(S):

Alternative: Do not adopt amendments to the Cross Connection Ordinance.

Pros: None

Cons: The City would be limited in its ability to protect the public water system from contamination by not having the authority to enter private property for inspections, to provide guidelines for annual testing, to install, inspect, repair, and/or replace BPAs, and to enforce corrective measures for non-compliant customers.

Reason for Not Recommending: Not establishing the legal authority to implement a compliance program will result in citations, compliance orders, and/or the revocation of the City's operating permit from the State. Also, without a compliance program, the likelihood of exposing the community to contaminants through a backflow occurrence is greatly increased. The City would be exposed to lawsuits due to severe negligence.

FISCAL IMPACT:

The Public Works Department employs a dedicated Cross Connection Specialist, who is responsible for administrating and implementing the City's CCCP. However, there is still additional time and expense incurred to review State-required hazard assessments from customers; to research, investigate, and verify the inventory of customers with BPAs; and to conduct outreach/education to customers required to install BPAs by June 1, 2034.

Staff are continually evaluating efforts to conform to the latest CCCHP requirements; if any additional funding for ongoing compliance is required, staff will request such funding through future budget appropriations as part of the annual operating budget process. Additionally, changes to the City User & Regulatory Fee Schedule will be proposed to recover the costs of this additional workload as soon as practicable.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action has no potential to result in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and is not a project pursuant to Pub. Resources Code, § 21065 and Cal. Code Regs., tit. 14, § 15378. Even if a project, the action is exempt from further CEQA review pursuant to Cal. Code Regs., tit. 14, § 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

ATTACHMENT:

- (a) Ordinance No. 232.2 – Redlined
- (b) Ordinance No. 232.2

REGULAR

NUMBER: 232.2

TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING CHAPTER 3 OF TITLE VIII OF THE MILPITAS MUNICIPAL CODE RELATING TO THE BACKFLOW PREVENTION AND CROSS-CONNECTION CONTROL PROGRAM

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of _____, upon motion by _____, and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES: (0)

NOES: (0) None.

ABSENT: (0) None.

ABSTAIN (0) None.

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian Curtis, City Attorney

RECITALS AND FINDINGS:

WHEREAS, the City operates a public water system, as defined by California Health and Safety Code Section 116275(h), and, since at least December 20, 1988, has maintained a Backflow Prevention & Cross-Connection Control Program to protect that public water system with regulations codified relating thereto in Title VIII, Chapter 3 of the Milpitas Municipal Code (commencing with Section VIII-3-1.00); and

WHEREAS, California Health and Safety Code Sections 116407, 116555.5 and 13521.2 focus on backflow protection and cross-connection control for public water systems and nonportable recycled water uses and provides the California State Water Resources Control Board (State Water Board) authority to adopt standards for backflow protection and cross-connection control for both systems; and

WHEREAS, California Health and Safety Code Section 116555.5 states that public water systems are to implement cross-connection control programs that comply with applicable regulations and with standards adopted by the State Water Board; and

WHEREAS, prior to Assembly Bill 1671 being approved on October 6, 2017 (AB 1671), California's regulations pertaining to cross-connection control were set forth in regulations in Title 17, Division 1, Chapter 5, Subchapter 1, Group 4, Article 3 of the California Code of Regulations (CCR), which were adopted in 1987 with minor revisions in 2000; and

WHEREAS, AB 1671 and later Assembly Bill 1180 in October 2, 2019 (AB 1180) comprehensively overhauled California's regulatory scheme pertaining to cross-connection control and directed, among other things, that the State Water Board adopt standards for backflow protection and cross-connection control by January 1, 2020 and specified that these standards may be implemented through the adoption of a policy handbook; and

WHEREAS, AB 1180, through the adoption of California Health and Safety Code Section 13521.2, required the State Water Board by January 1, 2023 to update the uniform statewide standards for non-potable recycled water uses, including to incorporate by reference the criteria and applicable backflow protection provisions contained within the most recently adopted version of the policy handbook for public water systems; and

WHEREAS, on December 19, 2023, the State Water Board adopted the Cross-Connection Control Policy Handbook (CCCPH), which took effect on July 1, 2024 and replaced the previous backflow protection and cross-connection control regulations in Title 17 of the CCR; and

WHEREAS, on June 17, 2025, the State Water Board adopted a revised version of the CCCPH, which extended some deadlines and changed some language to align with other pre-existing regulations; and

WHEREAS, on April 21, 2026, the State Water Board adopted a revised version of the CCCPH regarding accreditation of certifying organizations and backflow prevention at existing auxiliary water supplies; and

WHEREAS, consistent with California Health and Safety Code Section 116555.5 and the CCCPH, the City wishes to update the regulations contained in Title VIII, Chapter 3 of the Milpitas Municipal Code related to the Backflow Prevention & Cross-Connection Control Program to bring its

regulations into greater alignment with the most recent standards promulgated by the State Water Board through the CCCPH, including the recent changes to the CCCPH identified above and particularly the recent changes to standards for non-potable recycled water uses; and

WHEREAS, the City has a vested and legitimate interest, and legal authority, to protect the public health, safety, and welfare by adopting reasonable regulations, including prohibitions, to control cross-connections in its public water and recycled water systems, including to prevent the backflow of dangerous of liquids, gases, or other substances and contaminants into its systems from customer properties; and

WHEREAS, the City has a vested and legitimate interest, and legal authority, to implement corrective actions in the event a water customer fails to comply in a timely manner with State law and the City’s regulations regarding cross connection control and backflow prevention, including the installation, inspection, field testing, or maintenance of backflow prevention assemblies, to protect its public water and recycled water systems, including from the introduction of substances and contaminants that may pose a hazard to the public who rely upon these systems; and

WHEREAS, City staff has identified various sections of the Milpitas Municipal Code Title VIII, Chapter 3, requiring clarifications, updates and modifications and recommended that the City Council take action to address these issues through the adoption of this Ordinance; and

WHEREAS, pursuant to California Government Code Sections 65853 and 65854, the City Council of the City of Milpitas held a properly noticed public hearing on June 9, 2026, to consider these amendments to the Milpitas Municipal Code Title VIII, Chapter 3; and

WHEREAS, the City Council finds that this Ordinance does not render the Milpitas Municipal Code Title VIII, Chapter 3, inconsistent with the requirements of the State Water Board, including as promulgated through the CCCPH.

NOW, THEREFORE, the City Council of the City of Milpitas does ordain as follows:

SECTION 1. RECORD AND BASIS FOR ACTION

The City Council has duly considered the full record before it, which may include, but is not limited to, such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the City Council. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII (“PUBLIC WORKS”), CHAPTER 3 (“BACKFLOW PREVENTION AND CROSS-CONNECTION CONTROL”)

Title VIII, Chapter 3 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-3-1.00 Purpose

The purpose of this Chapter is to protect the health, safety, and welfare of the ~~water~~

~~customers~~public by the control of from the backflow of harmful contaminants into the ~~ppublic~~
~~wwater ssystem~~ and recycled water system, stemming from actual or potential cross-
connections. ~~There are through two~~~~three basic~~~~two basic programs, which~~programs which will
control and ~~prevent~~protect against these harmful backflows:

- a) Through proper installation~~and,~~ maintenance and testing of backflow
~~preventers~~prevention assemblies on services to premises where actual or
potential cross-connections exist to prevent backflow or back-siphonage of
contaminants or pollutants from the customer's premises into the ~~Public Water~~
~~System~~public water system or recycled water system, and:
- b) By promoting the elimination of existing or future cross-connections through
inspection and regulation of plumbing and water piping ~~within-between~~ a
customer's premises and the, Public Water Systempublic water system or
recycled water system.~~or between them.~~

~~Through proper installation and maintenance of backflow prevention assemblies on services to~~
~~premises where actual or potential cross-connections exist to prevent backflow or back-siphonage of~~
~~contaminants or pollutants from the customer's premises into the Recycled Water System.~~

VIII-3-2.00 Authority

~~he California Environmental Protection Agency—State Water Resources Control Board~~
~~(SWRCB), “Cross-Connection Control Policy Handbook—Standards and Principles for~~
~~California’s s,” adopted on December 19, 2023, made effective on July 1, 2024, , the City is~~
~~given the authority to protect public health through the establishment of standards intended to~~
~~ensure a Public Water System will not be subject to the backflow of liquids, gases, or other~~
~~substances.~~

~~Per applicable sections of the California Code of Regulations (CCR), Title 17, “Drinking Water~~
~~Supply—Backflow Prevention” Title 17 that can be applied to recycled water, the South Bay~~
~~Water Recycling (SBWR) Rules and Regulations for Design and Operation of On-Site~~
~~Recycled Water Facilities, and the retailing agreement between SBWR and the City dated June~~
~~13, 1995, in the City is given the authority to protect public health through the establishment of~~
~~standards intended to ensure a Recycled Water System will not be subject to the backflow of~~
~~liquids, gases, or other substances. Chapter V, Sections 7583-7622, inclusive of the California~~
~~Code of Regulations entitled “Regulations Relating to Cross-Connections,” gives the City~~
~~authority to protect the Public Water System from contamination and pollution.~~

The City Engineer ~~on behalf of the City~~ shall have authority to protect the ~~Ppublic Wwater~~
~~Ssystem~~ and the Rrecycled Wwater Ssystem from contamination or pollution due to the
backflow or back-siphonage of contaminants or pollutants through water service connections
by implementation and enforcement of a backflow prevention and cross-connection control
program based on accepted standards.

If, in the judgment of the City Engineer, an approved backflow prevention assembly is required
at the City’s water service connection to any customer’s premises, for the safety of the water
system, the City Engineer shall give notice in writing to the customer to install such an

approved assembly at each service connection to the premises. The customer must immediately install such approved assemblies at his or her own expense and to the satisfaction of the City Engineer. Failure, refusal, or inability on the part of the customer to comply with this Chapter will constitute a ground for the City taking action to protect the safety of the public water system or recycled water system, including discontinuing water service to the premises until compliance has been met and all other remedies provided in this Chapter.

The City Engineer has authority to terminate water service immediately without notification in the interest of protecting the public health, safety, or welfare if at any time a real or potential hazard is evidenced, such as failure to timely conform to required assessment of hazard, testing, maintenance, or standard construction design, as provided herein.

VIII-3-32.00 Definitions

For purposes of this Chapter, the terms used herein are defined as follows:

3.01 Air Gap Separation. A physical break between the free flowing discharge end of a Public Water System pipeline and an open or non-pressure receiving vessel. An “approved air gap separation” shall be at least twice the diameter of the supply pipe measured vertically above the overflow rim of the vessel, in no case less than one inch (1”).

Approved Water Supplies. A water source that has been approved by the State Water Resources Control Board for domestic use in a Public Water System public water system and designated as such in a domestic water supply permit; and a separate recycled water source that meets South Bay Water Recycling requirements for recycled use in the recycled water system.

3.02 Assembly. An abbreviated term for a backflow prevention assembly. Approved Assembly. A backflow prevention assembly that conforms to the list of backflow prevention assemblies as determined by the City Engineer in writing pursuant to Section 4.04. An assembly that does not conform to this requirement, or is improperly installed, is an Unapproved Assembly.

3.03 Assessment of Hazard. An assessment performed by an authorized cCross-cConnection cControl sSpecialist to determine the potential of a backflow into the Public Water System public water system. The assessment will consider the existence of cross-connections; the type and use of materials handled and present, or likely to be, on the water customer premises; the degree of piping system complexity and accessibility; access to auxiliary water supplies, pumping systems, or pressure systems; distribution system conditions that increase the likelihood of a backflow event; water customer premises accessibility; any previous backflow incidents on the water customer premises; and all other pertinent authorities, requirements, and information, including the requirements and information provided in the California Environmental Protection Agency—State Water Resources Control Board, “Cross-Connection Control Policy Handbook—Standards and Principles for California’s Public Water

System.

32.034-1 Hazard, Degree of. An Assessment of hazard must identify the degree of hazard (or no hazard) to the ~~Public Water System~~ through evaluation of customer premises based on the following classifications:

32.034-2.1—High Hazard Cross-Connection. A cross-connection that poses a significant threat to the potability or safety of the ~~Public Water System~~. Materials entering the ~~Public Water System~~public water system through a high-hazard cross-connection are contaminants or health hazards.

32.034-3.2Low Hazard Cross-Connection. A cross-connection that has been found to not pose a significant threat to the potability or safety of the ~~Public Water System~~public water system but may adversely affect the aesthetic quality of the ~~Public Water System~~public water system. Materials entering the public water supply through a low-hazard cross-connection are pollutants or non-health hazards.

32.034-4.3No Hazard Cross-Connection. A cross connection that poses no hazard to potability or safety of the ~~Public Water System~~public water system.

3.023.04 Auxiliary Water Supply. Any water supply available to the premises other than the ~~Public Water System~~public water system. These auxiliary supplies may include water from another purveyor's ~~public ~~Public~~ potable water ~~W~~water ~~S~~system supply~~ or any natural source such as a well, spring, river, stream, harbor, ~~eteetc.~~, or “used water” or “industrial fluids” or “recycled water”. These waters may be polluted or contaminated, or they may be objectionable and constitute an unacceptable water source over which the City has no sanitary control.

3.05 Backflow. The undesirable flow of water or other liquids, gases, or solid substances under pressure into the distributing pipes of the ~~Public Water System~~public water system or recycled water system from any outside source.

3.06 Backflow Prevention Assembly. A generic term referencing multiple types of mechanical assembly designed and constructed to prevent backflow, such that while in-line it is accessible, can be repaired and its ability to prevent backflow, as designed, can be field-tested, inspected, and evaluated. The assembly must have passed laboratory and field evaluation tests performed by a recognized testing organization that has demonstrated its competency to the State Water Resource Control Board, Division of Drinking Water. A backflow prevention assembly is referred to herein also by the abbreviated term “assembly.”~~A backflow prevention assembly is referred to herein also by the abbreviated term “Assembly.”~~

32.067-1 Double Check Detector Backflow Prevention Assembly (DCDA). An assembly that includes a bypass with a water meter and double check backflow prevention assembly, with the bypass water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may only be used for protection

~~from back siphonage and backpressure events (low hazard connection). These assemblies are not allowed for new installation unless approved by the City Engineer and readily accessible for in-line maintenance and testing.~~

~~32.067-2 Double Check Detector Backflow Prevention Assembly – Type II (DCDA II). An assembly that includes a bypass around the second check, with the bypass having a single check valve and a water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may only be used for protection from back siphonage and backpressure events (low -hazard cross-connection). These assemblies are not allowed for new installations unless approved by the City Engineer and readily accessible for in-line maintenance and testing.~~

~~32.067-3 Double Check Valve Backflow Prevention Assembly (DC). An assembly consisting of two independently acting internally loaded check valves, with tightly closing shut-off valves located at each end of the assembly (upstream and downstream of the two check valves) and fitted with test cocks that enable accurate field testing of the assembly. This type of assembly may only be used for protection from back siphonage and backpressure events (low hazard cross-connection). These assemblies are not allowed for new installations unless approved by the City Engineer and readily accessible for in-line maintenance and testing.~~

~~32.067-4 Pressure Vacuum Breaker Backflow Prevention Assembly (PVB). An assembly with an independently acting internally loaded check valve and an independently acting loaded air inlet valve located on the discharge side of the check valve; with test cocks and tightly closing shutoff valves located at each end of the assembly that enable accurate field testing of the assembly. This type of assembly may only be used for protection from back siphonage (low hazard and high hazard cross-connection) events and is not to be used to protect from backpressure events. These assemblies are not allowed for new installations unless approved by the City Engineer and readily accessible for in-line maintenance and testing.~~

~~32.067-5 Reduced Pressure Principle Backflow Prevention Assembly (RP). An assembly that includes a bypass with a water meter and reduced pressure principle backflow prevention assembly, with the bypass water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. Includes two independently operating approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shutoff valves, plus properly located test cocks for the testing of the check and relief valves. The entire assembly shall meet the design and performance specifications and approval of a recognized and City-approved testing agency for backflow prevention. The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the Public Water Systempublic water system side of the device. At cessation of normal flow, the pressure between the two check valves shall~~

~~be less than the pressure on the Public Water System~~public water system side of the device. In case of leakage of either of the check valves, the differential relief valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall open to the atmosphere. This type of assembly may be used for protection from back siphonage and backpressure events (low hazard and high hazard cross-connections). ~~To be approved, these assemblies must be readily accessible for in-line maintenance and testing.~~

~~32.067-6-~~ Reduced Pressure Principle Detector Backflow Prevention Assembly (RPDA). An assembly that includes a bypass with a water meter and reduced pressure principle backflow prevention assembly, with the bypass water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. Includes two independently operating approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shutoff valves, plus properly located test cocks for the testing of the check and relief valves. ~~The entire assembly shall meet the design and performance specifications and approval of a recognized and City-approved testing agency for backflow prevention.~~ The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the ~~Public Water System~~public water system side of the device. At cessation of normal flow, the pressure between the two check valves shall be less than the pressure on the ~~Public Water System~~public water system side of the device. In case of leakage from either check valves, the differential relief valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall open to the atmosphere. This type of assembly may be used for protection from back siphonage and backpressure events (low -hazard and high -hazard cross-connections). ~~To be approved, these assemblies must be readily accessible for in-line maintenance and testing.~~

~~32.067-7-~~ Reduced Pressure Principle Detector Backflow Prevention Assembly – Type II (RPDA II). An assembly that includes a bypass around the second check, with the bypass having a single check valve and a water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may be used for protection from back siphonage and backpressure events (low -hazard and high -hazard cross-connections). ~~To be approved, these assemblies must be accessible for in-line maintenance and testing.~~

~~32.067-8-~~ Single Check Backflow Prevention Assembly (SC). A basic mechanical device with one spring-loaded check valve that allows water to flow in only one direction. Refer to Section 4.05 for use. ~~These assemblies are not testable and are not allowed for new installations.~~

32.067-9- ~~Spill Resistant Pressure Vacuum Breaker Backsiphonage~~Back-siphonage Prevention Assembly (SVB). An assembly with an independently acting internally-loaded check valve and an independently-acting loaded air inlet valve located on the discharge side of the check valve; with shutoff valves at each end and a test cock and bleed/vent port, to enable accurate field testing of the assembly. This type of assembly may only be used for protection from back-siphonage events (low -hazard cross-connection) and is not to be used to protect from backpressure events. ~~These assemblies are not allowed for new installations.~~

32.067-10- ~~—Swivel-Ell Backflow Prevention Assembly (Swivel-Ell). An assembly consisting of a reduced pressure principle backflow prevention assembly combined with a changeover piping configuration (swivel-ell connection). ~~These assemblies are not allowed for new installations.~~~~

3.07 ~~Back Pressure. When the pressure in a Customer's Wwater Ssystem is higher than Public Water Systempublic water system pressure or recycled water system, forcing either non-potable, "Used Wwater" back into the Public Water Systempublic water system or contaminated "used water" back into the recycled water system.~~

3.08 ~~Backflow Prevention Assembly Tester. A person certified by the Stateper the requirements of the Cross Connection Control Policy Handbook and when approvedqualified by the City, is authorized to test backflow prevention assemblies within the City.~~

3.09 ~~Back-Siphonage. The flow of water or other liquids, gases, or solid substances into the distribution pipes of the Public Water Systempublic water system or recycled water system from any outside source caused by the sudden reduction of pressure in the Public Water Systempublic water system or recycled water system.~~

3.033.10 ~~City Engineer. The City Engineer for the City of Milpitas, or designee.~~

3.11 ~~City Standard Drawings and Specifications. Latest edition documents prepared by the Public Works Department of the City.~~

3.12 ~~Contamination. Any impairment of the quality of the potable water or recycled water by sewage, industrial fluids or waste liquids, compounds or other materials to a degree which creates an actual hazard to public health through poisoning or through the spread of disease.~~

3.13 ~~Cross-Connection. Any physical connection or arrangement of piping or fixtures where backflow or back-siphonage might occur between any part of a water system, used or intended to supply water for drinking purposes, and water or any source or system containing substance that is not or cannot be approved as safe, wholesome, or potable for human consumption. Includes similar connection or arrangement of piping or fixtures where backflow or back-siphonage might occur to the recycled water system.~~

3.14 ~~Cross-Connection Control Plan (CCCP). A City plan that describes how the City manages and administers the City Cross-Connection Control Program.~~

3.15 Cross-Connection Control Policy Handbook (CCCPH). The most recent edition of the California Environmental Protection Agency - State Water Resources Control Board (SWRCB), "Cross-Connection Control Policy Handbook – Standards and Principles for California's Public Water Systems," first adopted on December 19, 2023, and made effective on July 1, 2024, as most currently amended or superseded.

3.16 Cross-Connection Control Specialist. A person certified per the requirements of the CCCPH and when qualified by the City, is authorized to assess the hazard level present at customer premises. A specialist certified per the requirements of the CCCPH to test may also be authorized by the City to be a Backflow Prevention Assembly Tester.

~~3.04 Backflow Prevention Device. A device or means designed to prevent backflow or back siphonage. Types of backflow prevention devices are as follows:~~

~~4~~

~~5 2.04.1 Double Check Valve Assembly. An assembly of two independently operating approved check valves with tightly closing shutoff valves on each side of the check and relief valves. The entire assembly shall meet the design and performance specifications and approval of a recognized and City approved testing agency for backflow prevention devices. To be approved, these devices must be readily accessible for in-line maintenance and testing and be installed per City standards.~~

~~6~~

~~7 2.04.2 Reduced Pressure Principle Backflow Prevention Device. An assembly of two independently operating approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shutoff valves, plus properly located test cocks for the testing of the check and relief valves. The entire assembly shall meet the design and performance specifications and approval of a recognized and City approved testing agency for backflow prevention. The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the Public Water System side of the device. At cessation of normal flow the pressure between the two check valves shall be less than the pressure on the Public Water System side of the device. In case of leakage of either of the check valves, the differential relief~~

~~8~~
~~9~~ valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall open to the atmosphere. To be approved, these devices must be readily accessible for in-line maintenance and testing and be installed per City standards.

~~10~~
~~_____~~ Cross-Connection Control Policy Handbook (CCCPH). California Environmental Protection Agency—State Water Resources Control Board (SWRCB), “Cross-Connection Control Policy Handbook—Standards and Principles for California’s Public Water Systems,” adopted on December 19, 2023, and made effective on July 1, 2024.

~~_____~~ City Standard Drawings and Specifications. Latest edition documents prepared by the Public Works Department of the City.

~~10.02~~ Contamination. Any impairment of the quality of the potable water by sewage, industrial fluids or waste liquids, compounds or other materials to a degree which creates an actual hazard to the public health through poisoning or through the spread of disease.

~~_____~~ Cross-Connection. Any physical connection or arrangement of piping or fixtures where backflow or back-siphonage might occur between any part of a water system, used or intended to supply water for drinking purposes, and water or any source or system containing substance that is not or cannot be approved as safe, wholesome, or potable for human consumption.

~~_____~~ Cross-Connection Control Plan (CCCP). A City plan that describes how the City manages and administers the City Cross-Connection Control Program.

~~_____~~ Cross-Connection Control Specialist. A person certified by the State and, when qualified by the City, is authorized to assess the hazard level present at customer premises. A specialist certified by the State to test may also be authorized by the City to be a Backflow Prevention Assembly Tester.

~~3.17~~ Customer. A customer is all industrial, commercial, multi-family, and single-family premises with a connection to the ~~Public Water System~~~~publicwater~~public water system intended for use and consumption for people~~otable~~ consumption, for irrigation use, or for fire protection use, or a connection to the recycled water system intended for use and consumption for irrigation use or other non-drinking~~otable~~ purpose~~uses~~. A customer is the owner of any premises served by either the public water system or the recycled water system. A customer may include any person or entity in possession of the premises, or those persons or entities responsible for water service charges. A customer is referred to herein also by the term “Water Customer”.

~~10.033.18~~ Customer's Water System. All privately-owned facilities and parts beyond the service connection of the ~~Public Water System~~~~publicwater~~public water system or recycled water system for distributing water.

~~10.04~~ Hazard, Degree of. The term is derived from an evaluation of the potential risk to public

~~health and the adverse effect of the hazard upon the Public Water System.~~

~~11~~_____

~~12 2.07.1 Hazard — Health. Any condition, device, or practice in the water system and its operation which, based on the Manual of Cross-Connection Control, could create a danger to the health and well-being of the water customers. An example of a health hazard is a structural defect, including cross-connections, in a water supply system.~~

~~13~~_____

~~14 2.07.2 Hazard — Plumbing. A plumbing type cross-connection in a customer's potable water system has not been properly protected by a backflow prevention device. Unprotected plumbing type cross-connections are considered to be a health hazard.~~

~~15~~_____

~~16 2.07.3 Hazard — Pollutonal. An actual or potential threat to the physical properties of the Public Water System or to the potability of either the Public or the Customer's Water System, but which would constitute a nuisance or be aesthetically objectionable or could cause damage to the system or its appurtenances, but would not be dangerous to health.~~

~~17~~_____

~~18 2.07.4 Hazard — System. An actual or potential threat of severe damages to the physical properties of the Public Water System or the Customer's Water System or of a pollution or contamination which would have a protracted effect on the quality of the water in the system.~~

Industrial Fluid System. Any system containing a fluid or solution which may be chemically, biologically, or otherwise contaminated or polluted in a form or concentration such as would constitute a health, ~~plumbing, pollutional~~ or system hazard if introduced into ~~an approved water supply~~ the Public Water System ~~public water system or recycled water system~~. This may include, but not be limited to: polluted or contaminated waters; all types of process waters and "used waters" originating from the ~~Public Water System~~ customer's water system which may have deteriorated in sanitary quality; chemicals in fluid form; plating acids and ~~alkalies~~ alkalis, circulated cooling waters connected to an open cooling water or cooling towers that are chemically or biologically treated or stabilized with toxic substances; contaminated natural waters such as from wells, springs, streams, rivers, bays, harbors, seas, irrigation canals or systems, etc.; oils, gases, glycerine, paraffins, caustic and acid solutions and other liquid and gaseous fluids used in industrial or other purposes or for fire-fighting purposes.

3.20 List of Approved Backflow Prevention Devices/Assemblies. ~~The most recent list of approved backflow prevention assemblies or equal as noted in the City Standard Details drawings and Specifications, from the University of Southern California, School of Engineering, Foundation for Cross-Connection Control and Hydraulic Research.~~

3.21 Pollution. The presence of any foreign substance (organic, inorganic, or biological) in water, which tends to degrade its quality and constitutes a hazard or impairs the usefulness or quality of the water to a degree which does not create an actual hazard to the public health, but which does adversely and unreasonably affect such waters for domestic use and/or recycled use.

3.22 Potable Water. Water that is safe for human consumption.

3.23 Premises. All areas on a customer's property that are served or have the potential to be served by the ~~Public Water System~~ public water system or recycled water system.

3.24 Public Water System. System of potable water distribution lines under the complete control of the City using approved water supplies up to the service connection of the customer.

3.25 Recycled Water. Water which, because of treatment of waste, is suitable for direct beneficial use or a controlled use, other than potable use, that would not otherwise occur due to appropriate levels of treatment, as defined by California Water Code section 13050(n). Wastewater suitable for uses other than potable use due to appropriate levels of treatment.

~~Recycled Water System. System of recycled water distribution lines up to the service connection of the customer, as supplied by South Bay Water Recycling (SBWR).~~

3.26

3.27 Service Connection. The terminal end of the ~~Public Water System~~ public water system or recycled water system, i.e., where the City loses jurisdiction and sanitary control over the water at its point of delivery to the ~~customer's~~ water system(s). If a meter is installed at the end of the service connection, then the service connection shall mean

the downstream end of the customer's meter. There shall be no unprotected takeoffs from the service line on the City's side of the meter or backflow prevention assembly located at the point of delivery to the Customer's Water System. Service connection shall also include water service connection from a fire hydrant and all other temporary or emergency water service connections from the Public Water System public water system.

3.28 Used Water. Any water supplied by the City from the Public Water System public water system or recycled water system to a Customer's Water System after it has passed through the service connection and is no longer under the sanitary control of the City.

2.10 ~~Manual of Cross-Connection Control. The latest edition of the Manual of Cross-Connection Control as published by the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California, University Park, Los Angeles, CA 90089.~~

2.11 ~~Pollution. The presence of any foreign substance (organic, inorganic, or biological) in water which tends to degrade its quality so as to constitute a hazard or impair the usefulness or quality of the water to a degree which does not create an actual hazard to the public health, but which does adversely and unreasonably affect such waters for domestic use.~~

2.12 ~~Service Connection. The terminal end of the Public Water System; i.e., where the City of Milpitas loses jurisdiction and sanitary control over the water at its point of delivery to the Customer's Water System. If a meter is installed at the end of the service connection, then the service connection shall mean the downstream end of the customer's meter. There should be no unprotected takeoffs from the service line on the City's side of the meter or backflow prevention device located at the point of delivery to the Customer's Water System. Service connection shall also include water service connection from a fire hydrant and all other temporary or emergency water service connections from the Public Water System.~~

~~2.13 — Used Water. Any water supplied by the City from the Public Water System to a Customer's Water System after it has passed through the service connection and is no longer under the sanitary control of the City.~~

~~2.14 — Water System. The water system shall be considered as made up of two parts: The Public Water System and the Customer's Water System.~~

~~2.14.1 — The Public Water System shall consist of the source facilities and the distribution system; and shall include all those facilities of the water system under the complete control of the City up to the point where the Customer's Water System begins the service connection.~~

~~2.14.2 — The Source shall include all components of the facilities utilized in the production, treatment, storage, and delivery of water to the distribution system.~~

~~2.14.3 — The Distribution System shall include the network of conduits used for the delivery of water from the source to the Customer's Water System.~~

~~2.14.4 — The Customer's Water System shall include those parts of the facilities beyond the service connection of the Public Water System for distributing water.~~

VIII-3-~~43~~.00 Policy

~~4.01- Water Service. No water service connection to any premises shall be installed or maintained by the City unless the Public Water System public water system or recycled water system is protected from, including but not limited to, back pressure that may result in from contamination and pollution, as required by this Chapter, the CCCPH, and other applicable laws and regulations. —Refer to exclusions as described in the requirements of Section 65.00. Service of water to any premises shall be discontinued by the City if a backflow prevention assembly commensurate to the hazard level identified in the assessment of hazard and as required by this Chapter is not installed, tested and maintained, or if it is found that a backflow prevention assembly has been removed, by passed, or if any unprotected cross-connection exists on the premises. Service will not be restored until such conditions or defects are corrected to the satisfaction of the City Engineer. Temporary, intermittent, or emergency users of the public water system or recycled water system, including those outside of the City's jurisdictional boundary, will be considered as consumers on premises for the purposes of this Chapter and will be subject to the same cross-connection control requirements as water service connections to any premises. No water service connection to any premises shall be installed or maintained by the City unless the water supply is protected from contamination and pollution. Service of water to any premises shall be discontinued by the City if a backflow prevention device required by this Chapter is not installed, tested and maintained, or if it is found that a backflow prevention device has been removed, by passed, or if any unprotected cross-connection exists on the premises. Service will not be restored until such conditions or defects are corrected to the satisfaction of the City Engineer.~~

~~4.02- Cross-Connection Control Plan (CCCP). The City Engineer shall submit and periodically update the CCCP to the most recent CCCPH requirements. the California Environmental Protection Agency — State Water Resources Control Board (SWRCB),~~

~~“Cross-Connection Control Policy Handbook—Standards and Principles for California’s Public Water Systems requirements. The CCCP shall be accessible for public review on the City’s webpage.~~

4.03 Open for Inspection. City Engineer has the authority to conduct inspections, including sampling, related to the purpose of implementing this Chapter on private or public property. The ~~Customer's~~ customer's ~~Water-water System-system(s)~~ shall be open for inspection at all times to authorized representatives of the City Engineer to determine whether cross-connections, hazards ~~(health, plumbing, pollutional, system)~~, or violations of this Chapter or applicable laws and regulations exist. When an imminent hazard to public health or safety becomes known, the City Engineer may deny or immediately discontinue water service to the premises until the customer has opened the premises and assemblies to inspect and ~~corrected~~ the condition to the satisfaction of the City Engineer. _____

4.04-

~~Approval of New Assembly Installation Devices Assemblies. Only assemblies in the list of assemblies in City Standard Details & Specifications are allowed, unless approved in writing by the City Engineer. Only assemblies listed or equal to those specified in the City Standard Drawings and Specifications are approved. Any backflow prevention device required herein shall be of a model and size as shown on the list of approved backflow prevention devices.~~

4.05 Existing Premises – With an Unapproved Assembly Type. Existing premises that have been installed with an assembly not meeting minimum backflow types as specified in Section 6.01 may continue to use that assembly if the City Engineer determines in writing:

4.05.1 -The assembly will satisfactorily protect the public water system, including based on CCCPH requirements and the requirements of this Chapter; and,-

4.05.2 The premises upon which the assembly is installed is not of a type requiring an RP or other assembly prescribed by the CCCPH, including as listed in Appendix D of the CCCPH; and

4.05.3 An assessment of hazard has been completed per Section 5.00; and

4.05.4 The assembly is accessible for in line maintenance; and

4.05.5 ~~s upon which the assembly is installed is not of a requiring an RP or other assembly prescribed by the CCCPH, including as ;~~
~~an has been ;~~
~~the assembly ;and~~
The assembly has been successfully testing and maintained as described in Section 8.00.-

This Section does not apply to assemblies for existing fire services. For Existing fire services, refer to Section 4.07.

Whenever an existing assembly is moved from its present location or requires major repair, the assembly shall be replaced by an assembly as specified in Section 6.00.

If the assessment of hazard results in, or the City Engineer determines that, at the replacement of an assembly is required, the customer is provided up to one hundred eighty (180) calendar days to install an assembly as specified in Section 6.00 and Section 7.00.

4.06 Existing Premises—Without an Assembly. If it is determined that backflow protection is needed per the requirements described in Section 6.00, the customer shall complete an assessment of hazard per Section 5.00 and install an assembly as specified in Section 6.00 and Section 7.00 within thirty (30) calendar days of being ~~provided~~ provided with written notice by the City Engineer.

4.07 ~~may~~ Existing Fire Services. Existing fire services with non-testable, below grade, single check assemblies shall be replaced with an above grade RPDA no later than June 1, 2034, or as may be specified in an amended CCCPH, whichever is later.

4.08 Single-Family Residential Fire Protection Systems. New single-family residential premises require an assembly as specified in Section 6.00 prior to occupancy. Existing premises require the installation of an assembly by June 1, 2034²⁰³⁴, or as may be specified in an amended CCCPH, whichever is later. Both new and existing premises are exempted from the requirements in Section 6.00 to install an assembly if all the following criteria are met:

4.0889-1. The customer premises have only one service connection to the public water system; and

4.0889-2. A single service line onto the customer premises exists that subsequently splits on the property for domestic flow and fire protection system flow, such that the fire protection system may be isolated from the rest of the customer premises; and

4.0889-3. A single, water industry standard, water meter is provided to measure combined domestic flow and fire protection system flow; and

4.08.089-4. The fire protection system is constructed of piping materials certified as meeting National Sanitation Foundation / American National Standards Institute Standard 61; and

4.0898-5. The fire protection system's piping is looped within the structure and is connected to one or more routinely used fixtures (such as a water closet) to prevent stagnant water.

4.09 Recycled Water Customers. New recycled water service customers are required to have an assembly type as specified in Section 6.00 for the recycled water system and an RP to protect the public water system. Existing recycled water customers are required to have an RP assembly to protect the public water service. Existing recycled water customers without an assembly on the recycled water system are required to install an assembly no later than June 1, 2034.

4.10 Discontinue Water Service. Service of water to any premises may be discontinued by the City Engineer if an assembly commensurate to the hazard level identified in the assessment of hazard and as required by this Chapter is not installed, tested and maintained, or if it is found that an assembly has been removed, by-passed, or if any unprotected cross-connection exists on the premises. Service will not be restored until such conditions or defects are corrected to the satisfaction of the City Engineer.

VIII-3-5.00- Assessment of Hazard

5.01- Completed at Customer Expense. Assessment of hazards are to be completed at the expense of the customer and only by a customer retained, City authorized cross-connection control specialist. ~~Backflow preventers which may be subjected to back-~~

~~pressure or back siphonage that have been fully tested and have been granted a Certificate of Approval by a certified laboratory and is listed on the City's current list of "Approved Backflow Prevention Devices" may be used without further test or qualification.~~

~~5.02 Submission of Assessment. Assessment findings are to be submitted to the City in electronic format, via the City's online platform.~~

~~5.03 New Premises or Connections. New premises shall must, at the owner's expense, have an customer completed assessment of hazard performed by a Cross Connection Control Specialist and have installed an appropriate assembly as may be required with per the requirements described in Section 46.00 and Section 5.00. Assessment of hazard is to be completed prior to installation of an assembly if customerscustomer's premises are newly connected to the Public Water Systempublic water system, or if a customer's premises changes ownership.~~

~~5.04 Existing Premises – With Anya Complying Assembly Type. Upon adoption of this Chapter, Customers must follow the requirements described in Section 7.00.~~

~~3.06-1 Assessment of Hazard~~

~~3.06-1.1 Existing premises must are required to have an assessment of hazard, performed by June 30, 2027. An assessment is to occur prior to and after this date. Premises are required to have an assessment immediately if evidence exists of potential changes in the activities or materials on a customer's premises; if a backflow from a customer's premises occurs; if the State Water Resource Control Board requests an assessment; if the City Engineer concludes an existing assessment may no longer be correct. Refer to the requirements described into Section 65.00. For customer ownership changes at existing premises, an assessment of hazard is to be completed (excludes single-family homes). Assessment of hazard shall be at the expense of the customer and submitted to the City in electronic format, via the City's online platform.~~

~~5.05- Recycled Water Customers. An assessment of hazard is not required.~~

~~5.06 Discontinue Water Service. If a customer does not complete an assessment of hazard as noted in Section 6.01 based on their customer type, the City Engineer may discontinue water service to the premises or have the assessment completed at the expense of the customer.~~

~~3.06-1.2 If a customer does not complete an assessment, the City Engineer may discontinue water service to the premises or have the assessment completed at the expense of the customer.~~

~~3.01 Existing Users Premises with With an nonNon-complying Complying device/Assembly. An existing non-complying assembly may continue to be used if the City Engineer determines the assembly will satisfactorily protect the Public Water System based on customer completed assessment of hazard, testing and maintenance requirements described in Section~~

~~7.00 are satisfied, and if the premise type is listed in Appendix D of the CCCPH. Whenever a existing non-complying assembly is moved from its present location or requires major repair, the assembly shall be replaced by a new code compliant assembly. If the assessment of hazard results in or the City Engineer determines that a replacement of a non-complying assembly is required, the customer is provided up to 180 calendar days to install a code compliant assembly or the City shall discontinue water service. All presently installed backflow prevention devices which do not meet the requirements of this section, but were approved devices for the purposes described herein at the time of installation and which have been properly maintained, shall be excluded from the requirements of these rules so long as the City Engineer is assured that they will satisfactorily protect the Public Water System based on the testing and maintenance requirements described in Section 7.00. Whenever the existing device is moved from the present location or requires major repair, the unit shall be replaced by a backflow prevention device meeting the requirements of this Section.~~

~~3.02 **Evaluation of Hazard.** An evaluation of cross-connection hazards shall be performed when, as specified in the Manual of Cross-Connection Control, an existing user might pose an actual or potential cross-connection hazard.~~

~~Existing Premises — Without an Assembly. If it is determined that backflow protection is needed per the requirements described in Section 4.0 and Section 5.0, the customer shall complete an assessment of hazard and install a code compliant assembly up to 180 calendar days or the City shall discontinue water service. If their premise type is listed in Appendix D of the CCCPH, the customer shall install an assembly per the requirements of this Chapter up to 90 calendar days or the City shall discontinue water service. Existing Users — without any device. All customers and premises existing prior to adoption of this Chapter are subject to an evaluation of hazard by the City Engineer in accordance with the Manual of Cross-Connection Control to determine if backflow devices shall be required. If it is determined that an existing premises requires backflow prevention under Section 4.00, then the City Engineer shall give notice in writing to the customer to install an approved backflow prevention device within 180 calendar days or the City shall discontinue water service. Certification of the device installed shall be executed within ninety days from date of notice.~~

~~Existing Fire Services. Existing fire services with non-testable, below grade, single check assemblies shall be replaced with an above grade RPDAs no later than June 2034.~~

~~Single Family Residential Fire Protection Systems. New single family residential premises require an assembly prior to occupancy. Existing premises require the installation of an assembly by June 2034. Refer to the the Assessment Hazard requirements described in Section 5.00. Both new and existing premises are exempted from the requirement to install an assembly if the following criteria are met:~~

~~3.10-1. The customer premises has only one service connection to the Public Water System; and~~

~~3.10-2. A single service line onto the customer premises exists that subsequently splits on the property for domestic flow and fire protection system flow, such that the fire protection system may be isolated from the rest of the customer premises; and~~

~~3.10-3. A single, water industry standard, water meter is provided to measure combined domestic flow and fire protection system flow; and~~

~~3.10-4. The fire protection system is constructed of piping materials certified as meeting NSF/ANSI Standard 61; and~~

~~3.10-5. The fire protection system's piping is looped within the structure and is connected to one or~~

more routinely used fixtures (such as a water closet) to prevent stagnant water.

Recycled Water Customers. New recycled water service customers are required to have an assembly unless exempted by the City Engineer. A hRefer to the Assessment Hazard requirements described in Section 5.00. Unless exempted by the City Engineer, existing recycled water customers without an assembly will be required to install an assembly no later than June 2034.

5.05 Compliance Dates. Dates specified in Sections 3.06-1, 3.09, 3.10, and 3.11 may be amended by an updated SWRCB, "Cross Connection Control Policy Handbook."

VIII-3-~~64.00~~ Determination of Backflow Prevention Assembly and Assessment of Hazard Requirements~~WHERE BACKFLOW PROTECTION IS REQUIRED~~

6.01— Assembly and Assessment of Hazard Requirements for Customer with New Premise or Service Connection, Without an Assembly, or Deficient Assembly. Assembly requirement types for new customers with new premise or service connection, without an assembly, or a deficient assembly 4.01— An approved assembly shall be installed from the list of assemblies listed or equal to those specified in the City Standard Drawings and Specifications. The assembly shall be installed prior to the issuance of a final occupancy permit on each service line to a customer's water system at or near the property line and before the first branch line leading off the service line. This shall apply to certain commercial and industrial businesses, multi family residences, separate irrigation systems, hillside residences, residential fire systems, and wherever the following conditions exist: An approved backflow prevention device shall be installed per standard drawings adopted by the City and the list of approved backflow prevention devices. The device shall be installed prior to the issuance of a final occupancy permit on each service line to a Customer's Water System at or near the property line and before the first branch line leading off the

service line. This shall apply to certain commercial and industrial businesses, separate irrigation systems, and hillside residences (without Polyvinyl Chloride Pipe (PVC) fire service) and wherever the following conditions exist:

~~In the case of premises having an auxiliary water supply which is not or may not be of safe bacteriological or chemical quality and which is not acceptable as an additional potable source, the Public Water System shall be protected against backflow from the premises by installing an assembly in the service line. In the case of premises having an auxiliary water supply which is not or may not be of safe bacteriological or chemical quality and which is not acceptable as an additional potable source as determined by the Manual of Cross Connection Control, the Public Water System shall be protected against backflow from the premises by installing a backflow prevention device in the service line appropriate to the degree of hazard.~~

~~In case of the premises which any industrial fluid or any other objectionable substance is handled in a manner that could permit the fluid or substance to enter the water system, the Public Water System shall be protected against backflow from the premises by installing an assembly in the service line. This shall include the handling of process waters and waters originating from the Public Water System which have been subject to a degradation in quality. In case of the premises which any industrial fluid or any other objectionable substance is handled in a manner that could permit the fluid or substance to enter the water system, the Public Water System shall be protected against backflow from the premises by installing a backflow prevention device in the service line appropriate to the degree of hazard. This shall include the handling of process waters and waters originating from the Public Water System which have been subject to deterioration in quality.~~

~~In the case of premises having internal cross connection that cannot be permanently corrected, the Public Water System shall be protected against backflow from the premises by installing an assembly in the service line. In the case of premises having internal cross connection that cannot be permanently corrected, the Public Water System shall be protected against backflow from the premises by installing a backflow prevention device in the service line appropriate to the degree of hazard.~~

~~In the case of premises having intricate piping arrangements or where entry to all portions of the premises is restricted so that inspections for cross connections cannot be made with sufficient frequency or at sufficiently short notice to assure that no cross connections exist, the Public Water System shall be protected against backflow from the premises by installing an backflow prevention device assembly in the service line, appropriate to the degree of hazard.~~

~~In the case of premises having a repeated history of cross connections being established, or re-established, the Public Water System shall be protected against backflow from the premises, appropriate to the degree of hazard, by installing an backflow assembly prevention device in the service line.~~

~~In the case of premises being listed in Appendix D of the CCCPH.~~

~~In the case of premises where both recycled water and potable water are present in separate piping systems with no interconnection.~~

|

~~VIII 3 5.00 — DETERMINATION OF BACKFLOW PREVENTION
DEVICE ASSEMBLY AND ASSESSMENT OF HAZARD~~

~~The backflow prevention device assembly and assessment of hazard required and the corresponding requirement to assess hazard effective under Section 3.00 and Section 4.00 by customer type upon adoption of this Chapter is as follows:~~

<u>Customer Type</u>	<u>Minimum Backflow Assembly Type*</u>	<u>Assessment of Hazard Required</u>
<u>Industrial and Commercial Potable Irrigation Services</u>	<u>RP</u>	<u>Yes, refer to Section 5.00</u>
<u>Industrial and Commercial Potable Systems</u>	<u>RP</u>	<u>Yes, refer to Section 5.00</u>
<u>Industrial and Commercial Fire Protection Systems</u>	<u>RPDA, refer to Section 4.07</u>	<u>Yes, refer to Section 5.00</u>
<u>Hillside Residences where Customer system is Higher than Public Water System.</u>	<u>RP</u>	<u>Yes, refer to Section 5.00</u>
<u>Multi-Family Residential Properties with Two or more Units** (includes fire, irrigation and potable systems)</u>	<u>RP</u>	<u>Yes, refer to Section 5.00</u>
<u>Low Hazard Fire Services</u>	<u>RP</u>	<u>Yes, refer to Section 5.00</u>
<u>Single-Family Homes with Fire Protection Systems</u>	<u>RP, refer to Section 4.08</u>	<u>Yes, refer to Section 5.00. Not required with ownership change.</u>
<u>Single-Family Residence</u>	<u>None Required</u>	<u>None Required</u>
<u>Construction Meters</u>	<u>RP</u>	<u>Not Applicable</u>
<u>Recycled Water Services</u>	<u>RP, refer to Section 4.09</u>	<u>None Required</u>

<u>Customer Type</u>	<u>Minimum Backflow Assembly Type*</u>	<u>Hazard Assessment of Hazard Required</u>
<u>Industrial and Commercial Potable Irrigation Services</u>	<u>RP</u>	<u>Yes, refer to Section 35.00</u>
<u>Industrial and Commercial Potable Systems</u>	<u>RP</u>	<u>Yes, refer to Section 35.00</u>
<u>Industrial and Commercial Fire Protection Systems</u>	<u>RPDA, refer to Section 4.07</u>	<u>Yes, refer to Section 35.00</u>
<u>Hillside Residences where Customer system is Higher than Public Water SystemPublic Water System.</u>	<u>RP</u>	<u>Yes, refer to Section 35.00</u>
<u>Multi-Family Residential Properties with Two or more Units** (includes fire, irrigation and potable systems)</u>	<u>RP</u>	<u>Yes, refer to Section 35.00</u>
<u>Low Hazard Fire Services</u>	<u>RP</u>	<u>Yes, refer to Section 35.00</u>
<u>Single Family Homes with Fire Protection Systems</u>	<u>RP, refer to Section 4.08</u>	<u>Yes, refer to Section 5.00. Not required with</u>

		<u>ownership change.</u>
<u>Single Family Residence</u>	<u>None Required</u>	<u>None Required</u>
<u>Construction Meters</u>	<u>RP</u>	<u>Not Applicable</u>
<u>Recycled Water Services</u>	<u>RP, refer to Section 4.09</u>	<u>None Required</u>

**When an RP is required, an RPDA or RPDA-II may be substituted if appropriate.*

~~5.01.1 — A double check valve assembly on all irrigation systems.~~

~~5.01.2 — A reduced pressure principle backflow prevention device on certain commercial or industrial domestic systems.~~

~~5.01.3 — A double check valve assembly on all Hillside residences where PVC pipe is not used.~~

~~5.02 — An evaluation of hazard will be performed by the City Engineer or his staff based on the Manual of Cross-Connection Control to determine the degree of hazard and what, if any, backflow prevention device shall be required. The following guidelines shall be used in evaluating each customer activity.~~

~~5.02.1 — In the case of a customer activity where toxic or hazardous substances are handled in any manner which may allow for contamination for the water system, the Public Water System shall be protected by a reduced pressure principle backflow prevention device at the service connection.~~

~~5.02.2 — In the case of a customer activity where there is water or substance that would be objectionable, but not hazardous to health, if introduced into the Public Water System, the Public Water System shall be protected by an approved double check valve assembly at the service connection.~~

~~5.02.3 — In the case of a customer activity where an unapproved auxiliary water supply is interconnected with the water system, the Public Water System shall be protected by an approved reduced pressure principle backflow prevention device at the service connection.~~

~~5.02.4 — In the case of a customer activity where an unapproved auxiliary water supply exists and there is no interconnection, the Public Water System shall be protected by a double check valve assembly at the service connection.~~

~~5.02.5 In the case of a customer activity where there are internal cross-connections that cannot be permanently corrected, either actual or potential, the Public Water System shall be protected by an approved reduced pressure principle backflow prevention device at the service connection.~~

~~5.02.6 In the case of a customer activity having intricate piping arrangements or entry to all portions of the premises is restricted so that inspections for cross-connections cannot be made with sufficient frequency at sufficient short notice to assure no cross-connections exist, the Public Water System shall be protected against backflow or back siphonage from the premises by the installation of a reduced pressure principle backflow prevention device at the service connection. In this case, maximum protection will be required; that is, an approved reduced pressure principle backflow prevention device shall be installed in each service to the premises.~~

~~5.02.7 In case of a customer activity on which a non-residential irrigation system exists where fertilizer, herbicides, or pesticides can be injected into the irrigation system, the Public Water System shall be protected against backflow or back siphonage from the premises by the installation of a reduced pressure principle backflow prevention device at the service connection.~~

~~5.02.8 In the case of a customer activity where a fire system exists and there is direct connection from the Public Water System to elevated storage tanks or fire pumps taking suction from private reservoirs, the Public Water System shall be protected against backflow or back siphonage from the premises by the installation of a double check valve assembly at the service connection.~~

~~5.02.9 In the case of a customer activity where a fire system exists and is directly supplied from public mains and interconnected with auxiliary supplies (such as: pumps taking suction from reservoirs exposed to contamination or from rivers and ponds, driven wells, mills or other industrial water systems; or systems where anti-freeze or other additives are used) the Public Water System shall be protected against backflow or back siphonage from the premises by the installation of a reduced pressure principle backflow prevention device at the service connection.~~

~~5.02.10 In the case of a customer activity where a fire system exists and this system is supplied from the public water supply and is treated with chemical retardants for the purpose of controlling fires, the Public Water System shall be protected against backflow or back-siphonage from the premises by the installation of a reduced pressure principle backflow prevention device at the service connection.~~

~~5.03—When a Double Check Valve Assembly is cited as the required device for that customer activity in this section, a reduced pressure principle backflow prevention device may be used if the customer prefer. The requirement for a double check valve is a minimum requirement and the maximum protection can be used.~~

~~***Include Accessory Dwelling Units*~~

~~*When an RP is required, an RPDA or RPDA-II may be substituted if appropriate.*~~

6.02- Additional Assembly Requirements for All Customers. Installation of an RP, RPDA or RPDA-II assembly is also required wherever the following conditions exist:

6.02-1 In the case of premises having an auxiliary water supply which is not or may not be of safe bacteriological or chemical quality and which is not acceptable as an additional potable source.

6.02-2 In case of the premises which any industrial fluid or any other objectionable substance is handled in a manner that could permit the fluid or substance to enter the water system(s). This shall include the handling of processed waters and waters originating from the public water system or recycled water system which have been subject to a degradation in quality.

6.02-3 In the case of premises having internal cross-connection that cannot be permanently corrected.

6.02-4 In the case of premises having intricate piping arrangements or where entry to all portions of the premises is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that no cross-connections exist.

6.02-5 In the case of premises having a repeated history of cross-connections being established, or re-established.

6.02-6 In the case of premises with assemblies required in the CCCPH, including as listed in Appendix D of the CCCPH.

6.02-7 In the case of premises where both recycled water and potable water are present in separate piping systems with no interconnection.

6.03 Customer Premises with Existing Unapproved Assemblies. Customers with existing assemblies in service prior to the adoption of this Chapter that do not meet minimum assembly types as specified in Section 6.01, refer to Section 4.05.

VIII-3-~~76.00~~ Installation of Assembly DEVICE

~~76.01 Only assemblies listed in the City Standard Drawings and Specifications are approved. Accessibility. All assemblies are to be readily accessible for in line maintenance, testing and repair. All new and replaced assemblies require a City Building Department issued permit.~~

~~7.02- Location of Assembly. Assemblies on each service line to a customer's water system are to be installed at or near the property line and before the first branch line leading off the service line.~~

~~7.03- _____Construction. Assemblies shall be designed and installed consistent with _____City Standard Details & Specifications.~~

~~7.034- Permit Required. All new assemblies require a City Building Department issued permit prior to final occupancy. All replaced assemblies require a City Building Department issued permit. Installation of backflow preventers required by this section shall be as follows:~~

~~6.01.1 The backflow protection device shall be installed by the customer on the customer water service side within six inches (6") of property line per City standards.~~

~~6.01.2 All backflow preventers shall be readily accessible for testing and repair.~~

~~6.01.2(1) _____Reduced Pressure Principle Backflow Prevention Device. Reduced Pressure Principle Backflow Prevention Devices shall be installed a minimum of twelve inches (12") above grade and not more than thirty inches (30") above grade measured from the bottom of the device. There shall also be a minimum twelve inches (12") side clearance.~~

~~6.01.2(2) _____Double Check Valve Assembly. Double Check Valve Assembly shall be installed a minimum of twelve inches (12") above grade and not more than thirty inches (30") above grade measure from the bottom of the device. There shall also be a minimum twelve inches (12") side clearance.~~

VIII-3-~~87.00~~ Testing and Maintenance

~~8.01- Completed at Customer Expense. Testing of an assembly is to be completed at the expense of the customer and only by a customer retained City authorized backflow prevention assembly tester or cross-connection control specialists.~~

~~8.02 Submission of Testing Results. Testing results are to be submitted to the City in electronic format, via the City's online platform.~~

~~8.03 Testing Results Due. Testing results are due immediately upon _____It shall be the responsibility of the customer at any premises where an assembly is installed to have proper certified inspection and operational testing. Testing of the assembly shall be performed only by a Backflow Prevention Assembly Tester or Cross Connection~~

~~Control Specialist and shall be at initial installation and then no later than one hundred eighty (180) calendar days upon receipt of annual notice from the City. In instances where the City Engineer deems the hazard to be significant, more frequent testing intervals and submission results may be required. Tests shall be at the expense of the customer. Passing test results for a City approved backflow assembly shall be submitted to the City in electronic format, via the City's online platform. It shall be the responsibility of the City at any premises where a backflow prevention device is installed to have proper certified inspection and operational testing. Testing of the device shall be at initial installation and once per year henceforth by the City. In those instances where the City Engineer deems the hazard to be great enough, he may require certified inspections and testing at more frequent intervals.~~

~~8.04~~

~~8.05 If a customer does not complete testing as noticed by the City, the City Engineer may have the testing completed at the expense of the customer or have the water to the premises discontinued. The inspections and tests shall be performed by City of Milpitas personnel or by a certified tester approved by the City. The City Engineer shall establish a list of certified testers. These tests shall be at the expense of the customer.~~

~~8.04- Maintenance. It shall be the responsibility of the customer at any premise where an assembly is installed to have a certified assessment of hazard completed per the requirements of this Chapter, performed by a City approved Cross Connection Control Specialist. Any defective device shall be immediately repaired, overhauled or replaced by and at the expense of the customer whenever said devices are found by the City to be defective. Then the modified device, or replacement device, shall be retested by the City.~~

~~Customers are to provide maintenance to their assembly as needed, to ensure uninterrupted protection of the Public Water System public water system and Recycled Wwater Ssystem and to achieve annual passing test results. If assemblies are found by the customer or the City Engineer to be deficient, any defective assembly shall be immediately repaired, overhauled or replaced within thirty (30) calendar days per the requirements of the CCCP by and at the expense of the customer. All modified or replaced assemblies shall be promptly retested by the customer at their own expense. Records of all repairs and overhauls shall be filed with the City Engineer within sixty (60) days of notification date on the City's Test and Maintenance Report.~~

~~8.05 Cross-Connection Control Plan. Backflow prevention assembly tester or cross-connection control specialists Vendors providing cross-connection services to customers shall be familiar with and comply with the detailed CCCP information that supports this Chapter.~~

~~8.06 Discontinue Water Service. If a customer does not complete required testing with passing results, the City Engineer may have the testing completed at the expense of the customer or have the water to the premises discontinued.~~

VIII-3-98.00 Notifications NOTIFICATIONS

~~98.01 Failing Test Result. Customers, backflow prevention assembly testers and/or cross-connection control specialists –with an assembly– are required to notify the City Engineer within five (5) calendar days if an assembly fails an annual test.~~

~~98.02 Backflow or Cross-Connection Incident. Customers with an –assembly, backflow prevention assembly testers and/or cross-connection control specialists –are required to notify the City Engineer within twenty-four (24) hours of determining a known backflow or cross-connection incident.~~

VIII-3-~~8109.00~~ _____ Appeals

Except as otherwise provided by this Chapter and where a hearing on the matter is not otherwise required to be had by the City Council, any person aggrieved by a decision of any officer or department of City may appeal to the City Council in accordance with provisions of Section 5, Chapter 20, Title I of the Milpitas Municipal Code.

VIII-3-~~9110.00~~ _____ Penalties

The City may discontinue water service to any premises served if a required ~~backflow prevention device assembly~~ is removed, or if the City finds evidence that an installed ~~backflow prevention device assembly~~ has been ~~by-passed~~ bypassed, or allowed to remain ineffective or inoperative.

Any person or persons, company, corporation or association, who shall violate any of the provisions of this Chapter or fail to comply therewith, or who shall violate or fail to comply with any order made thereunder, ~~shall~~ shall severally for each and every violation and non-compliance respectively, be guilty of an infraction, punishable in accordance with the provisions of 1-1-4.09-1 of the Milpitas Municipal Code. The imposition of one fine for any violation shall not excuse the violation or permit it to continue; and all such persons shall be required to correct or remedy such violations or defects within a reasonable time; and when not otherwise specified, each day that prohibited conditions are maintained shall constitute a separate offense.

The application of the above fine shall not be held to prevent the enforced removal of prohibited conditions.

SECTION 3. CALIFORNIA ENVIROMENTAL QUALITY ACT (CEQA)

The adoption of this ordinance has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and is not a project pursuant to Pub. Resources Code, § 21065 and Cal. Code Regs., tit. 14, § 15378. Even if a project, the action is exempt from further CEQA review pursuant to Cal. Code Regs., tit. 14, § 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4. SEVERABILITY

VIII-3-~~10121.00~~ Severability — EFFECTIVE DATE

The provisions of this Ordinance are separable, and the invalidity of any phrase, clause, provision or part shall not affect the validity of the remainder.

VIII-3-3.13 Effective Date and Posting

SECTION 5. EFFECTIVE DATE AND POSTING

In accordance with Section 36937 of the Government Code of the State of California, this Ordinance shall take effect thirty (30) calendar days from and after the date of its passage. The City Clerk of the City of Milpitas shall cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.

The requirements and procedures for Backflow Prevention and Cross Connection

~~Control as established by Ordinance 232.1 shall become effective~~
~~starting January 20xxxx, 19892026.~~

REGULAR

NUMBER: 232.2

TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING CHAPTER 3 OF TITLE VIII OF THE MILPITAS MUNICIPAL CODE RELATING TO THE BACKFLOW PREVENTION AND CROSS-CONNECTION CONTROL PROGRAM

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of _____, upon motion by _____, and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES:	(0)
NOES:	(0) None.
ABSENT:	(0) None.
ABSTAIN	(0) None.

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian Curtis, City Attorney

RECITALS AND FINDINGS:

WHEREAS, the City operates a public water system, as defined by California Health and Safety Code Section 116275(h), and, since at least December 20, 1988, has maintained a Backflow Prevention & Cross-Connection Control Program to protect that public water system with regulations codified relating thereto in Title VIII, Chapter 3 of the Milpitas Municipal Code (commencing with Section VIII-3-1.00); and

WHEREAS, California Health and Safety Code Sections 116407, 116555.5 and 13521.2 focus on backflow protection and cross-connection control for public water systems and nonportable recycled water uses and provides the California State Water Resources Control Board (State Water Board) authority to adopt standards for backflow protection and cross-connection control for both systems; and

WHEREAS, California Health and Safety Code Section 116555.5 states that public water systems are to implement cross-connection control programs that comply with applicable regulations and with standards adopted by the State Water Board; and

WHEREAS, prior to Assembly Bill 1671 being approved on October 6, 2017 (AB 1671), California's regulations pertaining to cross-connection control were set forth in regulations in Title 17, Division 1, Chapter 5, Subchapter 1, Group 4, Article 3 of the California Code of Regulations (CCR), which were adopted in 1987 with minor revisions in 2000; and

WHEREAS, AB 1671 and later Assembly Bill 1180 in October 2, 2019 (AB 1180) comprehensively overhauled California's regulatory scheme pertaining to cross-connection control and directed, among other things, that the State Water Board adopt standards for backflow protection and cross-connection control by January 1, 2020 and specified that these standards may be implemented through the adoption of a policy handbook; and

WHEREAS, AB 1180, through the adoption of California Health and Safety Code Section 13521.2, required the State Water Board by January 1, 2023 to update the uniform statewide standards for non-potable recycled water uses, including to incorporate by reference the criteria and applicable backflow protection provisions contained within the most recently adopted version of the policy handbook for public water systems; and

WHEREAS, on December 19, 2023, the State Water Board adopted the Cross-Connection Control Policy Handbook (CCCPH), which took effect on July 1, 2024 and replaced the previous backflow protection and cross-connection control regulations in Title 17 of the CCR; and

WHEREAS, on June 17, 2025, the State Water Board adopted a revised version of the CCCPH, which extended some deadlines and changed some language to align with other pre-existing regulations; and

WHEREAS, on April 21, 2026, the State Water Board adopted a revised version of the CCCPH regarding accreditation of certifying organizations and backflow prevention at existing auxiliary water supplies; and

WHEREAS, consistent with California Health and Safety Code Section 116555.5 and the CCCPH, the City wishes to update the regulations contained in Title VIII, Chapter 3 of the Milpitas Municipal Code related to the Backflow Prevention & Cross-Connection Control Program to bring its

regulations into greater alignment with the most recent standards promulgated by the State Water Board through the CCCPH, including the recent changes to the CCCPH identified above and particularly the recent changes to standards for non-potable recycled water uses; and

WHEREAS, the City has a vested and legitimate interest, and legal authority, to protect the public health, safety, and welfare by adopting reasonable regulations, including prohibitions, to control cross-connections in its public water and recycled water systems, including to prevent the backflow of dangerous of liquids, gases, or other substances and contaminants into its systems from customer properties; and

WHEREAS, the City has a vested and legitimate interest, and legal authority, to implement corrective actions in the event a water customer fails to comply in a timely manner with State law and the City's regulations regarding cross connection control and backflow prevention, including the installation, inspection, field testing, or maintenance of backflow prevention assemblies, to protect its public water and recycled water systems, including from the introduction of substances and contaminants that may pose a hazard to the public who rely upon these systems; and

WHEREAS, City staff has identified various sections of the Milpitas Municipal Code Title VIII, Chapter 3, requiring clarifications, updates and modifications and recommended that the City Council take action to address these issues through the adoption of this Ordinance; and

WHEREAS, pursuant to California Government Code Sections 65853 and 65854, the City Council of the City of Milpitas held a properly noticed public hearing on June 9, 2026, to consider these amendments to the Milpitas Municipal Code Title VIII, Chapter 3; and

WHEREAS, the City Council finds that this Ordinance does not render the Milpitas Municipal Code Title VIII, Chapter 3, inconsistent with the requirements of the State Water Board, including as promulgated through the CCCPH.

NOW, THEREFORE, the City Council of the City of Milpitas does ordain as follows:

SECTION 1. RECORD AND BASIS FOR ACTION

The City Council has duly considered the full record before it, which may include, but is not limited to, such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the City Council. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII ("PUBLIC WORKS"), CHAPTER 3 ("BACKFLOW PREVENTION AND CROSS-CONNECTION CONTROL")

Title VIII, Chapter 3 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-3-1.00 Purpose

The purpose of this Chapter is to protect the health, safety, and welfare of the public from the backflow of harmful contaminants into the public water system and recycled water system, stemming from actual or potential cross-connections. There are two programs which will

control and protect against these harmful backflows:

- a) Through proper installation, maintenance and testing of backflow prevention assemblies on services to premises where actual or potential cross-connections exist to prevent backflow or back-siphonage of contaminants or pollutants from the customer's premises into the public water system or recycled water system, and
- b) By promoting the elimination of existing or future cross-connections through inspection and regulation of plumbing and water piping between a customer's premises and the public water system or recycled water system.

VIII-3-2.00 Authority

The City Engineer shall have authority to protect the public water system and the recycled water system from contamination or pollution due to the backflow or back-siphonage of contaminants or pollutants through water service connections by implementation and enforcement of a backflow prevention and cross-connection control program based on accepted standards.

If, in the judgment of the City Engineer, an approved backflow prevention assembly is required at the City's water service connection to any customer's premises, for the safety of the water system, the City Engineer shall give notice in writing to the customer to install such an approved assembly at each service connection to the premises. The customer must immediately install such approved assemblies at his or her own expense and to the satisfaction of the City Engineer. Failure, refusal, or inability on the part of the customer to comply with this Chapter will constitute grounds for the City taking action to protect the safety of the public water system or recycled water system, including discontinuing water service to the premises until compliance has been met and all other remedies provided in this Chapter.

The City Engineer has authority to terminate water service immediately without notification in the interest of protecting the public health, safety, or welfare if at any time a real or potential hazard is evidenced, such as failure to timely conform to required assessment of hazard, testing, maintenance, or standard construction design, as provided herein.

VIII-3-3.00 Definitions

For purposes of this Chapter, the terms used herein are defined as follows:

- 3.01 Approved Water Supplies. A water source that has been approved by the State Water Resources Control Board for domestic use in a public water system and designated as such in a domestic water supply permit; and a separate recycled water source that meets South Bay Water Recycling requirements for recycled use in the recycled water system.
- 3.02 Approved Assembly. A backflow prevention assembly that conforms to the list of backflow prevention assemblies as determined by the City Engineer in writing pursuant to Section 4.04. An assembly that does not conform to this requirement, or is improperly installed, is an Unapproved Assembly.

- 3.03 Assessment of Hazard. An assessment performed by an authorized cross-connection control specialist to determine the potential of a backflow into the public water system. The assessment will consider the existence of cross-connections; the type and use of materials handled and present, or likely to be, on the water customer premises; the degree of piping system complexity and accessibility; access to auxiliary water supplies, pumping systems, or pressure systems; distribution system conditions that increase the likelihood of a backflow event; water customer premises accessibility; any previous backflow incidents on the water customer premises; and all other pertinent authorities, requirements, and information, including the requirements and information provided in the Cross-Connection Control Policy Handbook.
- 3.03-1 Hazard, Degree of. An assessment of hazard must identify the degree of hazard (or no hazard) to the public water system through evaluation of customer premises based on the following classifications:
- 3.03-2 High Hazard Cross-Connection. A cross-connection that poses a significant threat to the potability or safety of the public water system. Materials entering the public water system through a high-hazard cross-connection are contaminants or health hazards.
- 3.03-3 Low Hazard Cross-Connection. A cross-connection that has been found to not pose a significant threat to the potability or safety of the public water system but may adversely affect the aesthetic quality of the public water system. Materials entering the public water supply through a low-hazard cross-connection are pollutants or non-health hazards.
- 3.03-4 No Hazard Cross-Connection. A cross connection that poses no hazard to potability or safety of the public water system.
- 3.04 Auxiliary Water Supply. Any water supply available to the premises other than the public water system. These auxiliary supplies may include water from another purveyor's public water system or any natural source such as a well, spring, river, stream, harbor, etc., or "used water" or "industrial fluids" or "recycled water". These waters may be polluted or contaminated, or they may be objectionable and constitute an unacceptable water source over which the City has no sanitary control.
- 3.05 Backflow. The undesirable flow of water or other liquids, gases, or solid substances under pressure into the distributing pipes of the public water system or recycled water system from any outside source.
- 3.06 Backflow Prevention Assembly. A generic term referencing multiple types of mechanical assembly designed and constructed to prevent backflow, such that while in-line it is accessible, can be repaired and its ability to prevent backflow, as designed, can be field-tested, inspected, and evaluated. The assembly must have passed laboratory and field evaluation tests performed by a recognized testing organization that has demonstrated its competency to the State Water Resource Control Board, Division of Drinking Water. A backflow prevention assembly is referred to herein also

by the abbreviated term “assembly.”

- 3.06-1 Double Check Detector Backflow Prevention Assembly (DCDA). An assembly that includes a bypass with a water meter and double check backflow prevention assembly, with the bypass water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may only be used for protection from back siphonage and backpressure events (low hazard connection).
- 3.06-2 Double Check Detector Backflow Prevention Assembly – Type II (DCDA II). An assembly that includes a bypass around the second check, with the bypass having a single check valve and a water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may only be used for protection from back siphonage and backpressure events (low hazard cross-connection).
- 3.06-3 Double Check Valve Backflow Prevention Assembly (DC). An assembly consisting of two independently acting internally loaded check valves, with tightly closing shut-off valves located at each end of the assembly (upstream and downstream of the two check valves) and fitted with test cocks that enable accurate field testing of the assembly. This type of assembly may only be used for protection from back siphonage and backpressure events (low hazard cross-connection).
- 3.06-4 Pressure Vacuum Breaker Backflow Prevention Assembly (PVB). An assembly with an independently acting internally loaded check valve and an independently acting loaded air inlet valve located on the discharge side of the check valve; with test cocks and tightly closing shutoff valves located at each end of the assembly that enable accurate field testing of the assembly. This type of assembly may only be used for protection from back siphonage (low hazard and high hazard cross-connection) events and is not to be used to protect from backpressure events.
- 3.06-5 Reduced Pressure Principle Backflow Prevention Assembly (RP). An assembly that includes two independently operating approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shutoff valves, plus properly located test cocks for the testing of the check and relief valves. The entire assembly shall meet the design and performance specifications and approval of a recognized and City-approved testing agency for backflow prevention. The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the public water system side of the device. At cessation of normal flow, the pressure between the two check valves shall be less than the pressure on the public water system side of the device. In case of leakage of either of the check valves, the differential relief valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall open to the atmosphere. This type of assembly may

be used for protection from back siphonage and backpressure events (low hazard and high hazard cross-connections).

- 3.06-6 Reduced Pressure Principle Detector Backflow Prevention Assembly (RPDA). An assembly that includes a bypass with a water meter and reduced pressure principle backflow prevention assembly, with the bypass water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. Includes two independently operating approved check valves with an automatically operating differential relief valve between the two check valves, tightly closing shutoff valves, plus properly located test cocks for the testing of the check and relief valves. The device shall operate to maintain the pressure in the zone between the two check valves at a level less than the pressure on the public water system side of the device. At cessation of normal flow, the pressure between the two check valves shall be less than the pressure on the public water system side of the device. In case of leakage from either check valves, the differential relief valve shall operate to maintain the reduced pressure in the zone between the check valves by discharging to the atmosphere. When the inlet pressure is two pounds per square inch or less, the relief valve shall open to the atmosphere. This type of assembly may be used for protection from back siphonage and backpressure events (low hazard and high hazard cross-connections).
- 3.06-7 Reduced Pressure Principle Detector Backflow Prevention Assembly – Type II (RPDA II). An assembly that includes a bypass around the second check, with the bypass having a single check valve and a water meter accurately registering flow rates up to two gallons per minute and visually indicating all rates of flow. This type of assembly may be used for protection from back siphonage and backpressure events (low hazard and high hazard cross-connections).
- 3.06-8 Single Check Backflow Prevention Assembly (SC). A basic mechanical device with one spring-loaded check valve that allows water to flow in only one direction. Refer to Section 4.05 for use.
- 3.06-9 Spill Resistant Pressure Vacuum Breaker Back-siphonage Prevention Assembly (SVB). An assembly with an independently acting internally-loaded check valve and an independently-acting loaded air inlet valve located on the discharge side of the check valve; with shutoff valves at each end and a test cock and bleed/vent port, to enable accurate field testing of the assembly. This type of assembly may only be used for protection from back-siphonage events (low hazard cross-connection) and is not to be used to protect from backpressure events.
- 3.06-10 Swivel-Ell Backflow Prevention Assembly (Swivel-Ell). An assembly consisting of a reduced pressure principle backflow prevention assembly combined with a changeover piping configuration (swivel-ell connection).

- 3.07 Back Pressure. When the pressure in a customer's water system is higher than public

water system pressure or recycled water system, forcing either non-potable, “used water” back into the public water system or contaminated “used water” back into the recycled water system.

- 3.08 Backflow Prevention Assembly Tester. A person certified per the requirements of the Cross Connection Control Policy Handbook and when qualified by the City, is authorized to test backflow prevention assemblies within the City.
- 3.09 Back-Siphonage. The flow of water or other liquids, gases, or solid substances into the distribution pipes of the public water system or recycled water system from any outside source caused by the sudden reduction of pressure in the public water system or recycled water system.
- 3.10 City Engineer. The City Engineer for the City of Milpitas, or designee.
- 3.11 City Standard Drawings and Specifications. Latest edition documents prepared by the Public Works Department of the City.
- 3.12 Contamination. Any impairment of the quality of the potable water or recycled water by sewage, industrial fluids or waste liquids, compounds or other materials to a degree which creates an actual hazard to public health through poisoning or through the spread of disease.
- 3.13 Cross-Connection. Any physical connection or arrangement of piping or fixtures where backflow or back-siphonage might occur between any part of a water system, used or intended to supply water for drinking purposes, and water or any source or system containing substance that is not or cannot be approved as safe, wholesome, or potable for human consumption. Includes similar connection or arrangement of piping or fixtures where backflow or back-siphonage might occur to the recycled water system.
- 3.14 Cross-Connection Control Plan (CCCP). A City plan that describes how the City manages and administers the City Cross-Connection Control Program.
- 3.15 Cross-Connection Control Policy Handbook (CCCPH). The most recent edition of the California Environmental Protection Agency - State Water Resources Control Board (SWRCB), “Cross-Connection Control Policy Handbook – Standards and Principles for California’s Public Water Systems,” first adopted on December 19, 2023, and made effective on July 1, 2024, as most currently amended or superseded.
- 3.16 Cross-Connection Control Specialist. A person certified per the requirements of the CCCPH and when qualified by the City, is authorized to assess the hazard level present at customer premises. A specialist certified per the requirements of the CCCPH to test may also be authorized by the City to be a Backflow Prevention Assembly Tester.
- 3.17 Customer. A customer is all industrial, commercial, multi-family, and single-family premises with a connection to the public water system intended for potable consumption, irrigation use, or for fire protection use or a connection to the recycled water system intended for irrigation use or other non-potable uses. A customer is the owner of any premises served by either the public water system or the recycled water system. A customer may include any person or entity in possession of the premises, or those persons or entities

responsible for water service charges. A customer is referred to herein also by the term "Water Customer".

- 3.18 Customer's Water System. All privately-owned facilities and parts beyond the service connection of the public water system or recycled water system for distributing water.
- 3.19 Industrial Fluid System. Any system containing a fluid or solution which may be chemically, biologically, or otherwise contaminated or polluted in a form or concentration such as would constitute a health, or system hazard if introduced into the public water system or recycled water system. This may include, but not be limited to: polluted or contaminated waters; all types of process waters and "used waters" originating from the customer's water system which may have deteriorated in sanitary quality; chemicals in fluid form; plating acids and alkalis, circulated cooling waters connected to an open cooling water or cooling towers that are chemically or biologically treated or stabilized with toxic substances; contaminated natural waters such as from wells, springs, streams, rivers, bays, harbors, seas, irrigation canals or systems, etc.; oils, gases, glycerine, paraffins, caustic and acid solutions and other liquid and gaseous fluids used in industrial or other purposes or for fire-fighting purposes.
- 3.20 List of Approved Backflow Prevention Assemblies. The approved backflow prevention assemblies as noted in the City Standard Details and Specifications.
- 3.21 Pollution. The presence of any foreign substance (organic, inorganic, or biological) in water, which tends to degrade its quality and constitutes a hazard or impairs the usefulness or quality of the water to a degree which does not create an actual hazard to the public health, but which does adversely and unreasonably affect such waters for domestic use and/or recycled use.
- 3.22 Potable Water. Water that is safe for human consumption.
- 3.23 Premises. All areas on a customer's property that are served or have the potential to be served by the public water system or recycled water system.
- 3.24 Public Water System. System of potable water distribution lines under the complete control of the City using approved water supplies up to the service connection of the customer.
- 3.25 Recycled Water. Water which, because of treatment of waste, is suitable for direct beneficial use or a controlled use, other than potable use, that would not otherwise occur due to appropriate levels of treatment, as defined by California Water Code section 13050(n). Wastewater suitable for uses other than potable use due to appropriate levels of treatment.
- 3.26 Recycled Water System. System of recycled water distribution lines up to the service connection of the customer.
- 3.27 Service Connection. The terminal end of the public water system or recycled water system, i.e., where the City loses jurisdiction and sanitary control over the water at its point of delivery to the customer's water system(s). If a meter is installed at the end of the service connection, then the service connection shall mean the downstream end of

the customer's meter. There shall be no unprotected takeoffs from the service line on the City's side of the meter or backflow prevention assembly located at the point of delivery to the customer's system. Service connection shall also include water service connection from a fire hydrant and all other temporary or emergency water service connections from the public water system.

- 3.28 Used Water. Any water supplied by the City from the public water system or recycled water system to a customer's water system after it has passed through the service connection and is no longer under the sanitary control of the City.

VIII-3-4.00 Policy

- 4.01 Water Service. No water service connection to any premises shall be installed or maintained by the City unless the public water system or recycled water system is protected from, including but not limited to, back pressure that may result in contamination and pollution, as required by this Chapter, the CCCPH, and other applicable laws and regulations. Refer to Section 6.00. Temporary, intermittent, or emergency users of the public water system or recycled water system, including those outside of the City's jurisdictional boundary, will be considered as consumers on premises for the purposes of this Chapter and will be subject to the same cross-connection control requirements as water service connections to any premises.
- 4.02 Cross-Connection Control Plan (CCCP). The City Engineer shall submit and periodically update the CCCP to the most recent CCCPH requirements. The CCCP shall be accessible for public review on the City's webpage.
- 4.03 Open for Inspection. City Engineer has the authority to conduct inspections, including sampling, related to the purpose of implementing this Chapter on private or public property. The customer's water system(s) shall be open for inspection at all times to authorized representatives of the City Engineer to determine whether cross-connections, hazards, or violations of this Chapter or applicable laws and regulations exist. When an imminent hazard to public health or safety becomes known, the City Engineer may deny or immediately discontinue water service to the premises until the customer has opened the premises and assemblies to inspect and correct the condition to the satisfaction of the City Engineer.
- 4.04 New Assembly Installation. Only assemblies in the list of assemblies in City Standard Details & Specifications are allowed, unless approved in writing by the City Engineer.
- 4.05 Existing Premises – With an Unapproved Assembly Type. Existing premises that have been installed with an assembly not meeting minimum backflow types as specified in Section 6.01 may continue to use that assembly if the City Engineer determines in writing:
- 4.05.1 The assembly will satisfactorily protect the public water system, including based on CCCPH requirements and the requirements of this Chapter; and
- 4.05.2 The premises upon which the assembly is installed is not of a type requiring an RP or other assembly prescribed by the CCCPH, including as listed in Appendix D of the CCCPH; and

- 4.05.3 An assessment of hazard has been completed per Section 5.00; and
- 4.05.4 The assembly is accessible for in line maintenance; and
- 4.05.5 The assembly has been successfully tested and maintained as described in Section 8.00.

This Section does not apply to assemblies for existing fire services. For existing fire services, refer to Section 4.07.

Whenever an existing assembly is moved from its present location or requires major repair, the assembly shall be replaced by an assembly as specified in Section 6.00.

If the assessment of hazard results in, or the City Engineer determines that the replacement of an assembly is required, the customer is provided up to one hundred eighty (180) calendar days to install an assembly as specified in Section 6.00 and Section 7.00.

- 4.06 Existing Premises—Without an Assembly. If it is determined that backflow protection is needed per the requirements described in Section 6.00, the customer shall complete an assessment of hazard per Section 5.00 and install an assembly as specified in Section 6.00 and Section 7.00 within thirty (30) calendar days of being provided with written notice by the City Engineer.
- 4.07 Existing Fire Services. Existing fire services with non-testable, below grade, single check assemblies shall be replaced with an above grade RPDA no later than June 1, 2034, or as may be specified in an amended CCCPH, whichever is later.
- 4.08 Single-Family Residential Fire Protection Systems. New single-family residential premises require an assembly as specified in Section 6.00 prior to occupancy. Existing premises require the installation of an assembly by June 1, 2034, or as may be specified in an amended CCCPH, whichever is later. Both new and existing premises are exempted from the requirements in Section 6.00 to install an assembly if all the following criteria are met:
 - 4.08-1. The customer premises have only one service connection to the public water system; and
 - 4.08-2. A single service line onto the customer premises exists that subsequently splits on the property for domestic flow and fire protection system flow, such that the fire protection system may be isolated from the rest of the customer premises; and
 - 4.08-3. A single, water industry standard, water meter is provided to measure combined domestic flow and fire protection system flow; and
 - 4.08-4. The fire protection system is constructed of piping materials certified as meeting National Sanitation Foundation / American National Standards Institute Standard 61; and

- 4.08-5 The fire protection system's piping is looped within the structure and is connected to one or more routinely used fixtures (such as a water closet) to prevent stagnant water.
- 4.09 Recycled Water Customers. New recycled water service customers are required to have an assembly type as specified in Section 6.00 for the recycled water system and an RP to protect the public water system. Existing recycled water customers are required to have an RP assembly to protect the public water service. Existing recycled water customers without an assembly on the recycled water system are required to install an assembly no later than June 1, 2034.
- 4.10 Discontinue Water Service. Service of water to any premises may be discontinued by the City Engineer if an assembly commensurate to the hazard level identified in the assessment of hazard and as required by this Chapter is not installed, tested and maintained, or if it is found that an assembly has been removed, by-passed, or if any unprotected cross-connection exists on the premises. Service will not be restored until such conditions or defects are corrected to the satisfaction of the City Engineer.

VIII-3-5.00 Assessment of Hazard

- 5.01 Completed at Customer Expense. Assessment of hazards are to be completed at the expense of the customer and only by a customer retained, City authorized cross-connection control specialist.
- 5.02 Submission of Assessment. Assessment findings are to be submitted to the City in electronic format, via the City's online platform.
- 5.03 New Premises or Connections. New premises must have an assessment of hazard performed and have installed an assembly per the requirements described in Section 6.00. Assessment of hazard is to be completed prior to installation of an assembly if customer's premises are newly connected to the public water system.
- 5.04 Existing Premises – With Any Assembly Type. Upon adoption of this Chapter, existing premises must have an assessment of hazard performed by June 30, 2027. Premises are required to have an assessment immediately if evidence exists of potential changes in the activities or materials on a customer's premises; if a backflow from a customer's premises occurs; if the State Water Resource Control Board requests an assessment; if the City Engineer concludes an existing assessment may no longer be correct. Refer to Section 6.00. For customer ownership changes at existing premises, an assessment of hazard is to be completed (excludes single-family homes).
- 5.05 Recycled Water Customers. An assessment of hazard is not required.
- 5.06 Discontinue Water Service. If a customer does not complete an assessment of hazard as noted in Section 6.01 based on their customer type, the City Engineer may discontinue water service to the premises or have the assessment completed at the expense of the customer.

VIII-3-6.00 Determination of Backflow Prevention Assembly and Assessment of

Hazard Requirements

- 6.01 Assembly and Assessment of Hazard Requirements for Customer with New Premise or Service Connection, Without an Assembly, or Deficient Assembly. Assembly requirement types for new customers with new premise or service connection, without an assembly, or a deficient assembly and the corresponding requirement to assess hazard effective upon adoption of this Chapter is as follows:

Customer Type	Minimum Backflow Assembly Type*	Assessment of Hazard Required
Industrial and Commercial Potable Irrigation Services	RP	Yes, refer to Section 5.00
Industrial and Commercial Potable Systems	RP	Yes, refer to Section 5.00
Industrial and Commercial Fire Protection Systems	RPDA, refer to Section 4.07	Yes, refer to Section 5.00
Hillside Residences where Customer system is Higher than Public Water System.	RP	Yes, refer to Section 5.00
Multi-Family Residential Properties with Two or more Units** (includes fire, irrigation and potable systems)	RP	Yes, refer to Section 5.00
Low Hazard Fire Services	RP	Yes, refer to Section 5.00
Single-Family Homes with Fire Protection Systems	RP, refer to Section 4.08	Yes, refer to Section 5.00. Not required with ownership change.
Single-Family Residence	None Required	None Required
Construction Meters	RP	Not Applicable
Recycled Water Services	RP, refer to Section 4.09	None Required

**When an RP is required, an RPDA or RPDA-II may be substituted if appropriate.*

***Include Accessory Dwelling Units*

- 6.02 Additional Assembly Requirements for All Customers. Installation of an RP, RPDA or RPDA-II assembly is required wherever the following conditions exist:

- 6.02-1 In the case of premises having an auxiliary water supply which is not or may not be of safe bacteriological or chemical quality and which is not acceptable as an additional potable source.
- 6.02-2 In case of the premises which any industrial fluid or any other objectionable substance is handled in a manner that could permit the fluid or substance to enter the water system(s). This shall include the handling of processed waters and waters originating from the public water system or recycled water system which have been subject to a degradation in quality.

- 6.02-3 In the case of premises having internal cross-connection that cannot be permanently corrected.
 - 6.02-4 In the case of premises having intricate piping arrangements or where entry to all portions of the premises is restricted so that inspections for cross-connections cannot be made with sufficient frequency or at sufficiently short notice to assure that no cross-connections exist.
 - 6.02-5 In the case of premises having a repeated history of cross-connections being established, or re-established.
 - 6.02-6 In the case of premises with assemblies required in the CCCPH, including as listed in Appendix D of the CCCPH.
 - 6.02-7 In the case of premises where both recycled water and potable water are present in separate piping systems with no interconnection.
- 6.03 Customer Premises with Existing Unapproved Assemblies. Customers with existing assemblies in service prior to the adoption of this Chapter that do not meet minimum assembly types as specified in Section 6.01, refer to Section 4.05.

VIII-3-7.00 Installation of Assembly

- 7.01 Accessibility. All assemblies are to be readily accessible for in line maintenance, testing and repair.
- 7.02 Location of Assembly. Assemblies on each service line to a customer's water system are to be installed at or near the property line and before the first branch line leading off the service line.
- 7.03 Construction. Assemblies shall be designed and installed consistent with City Standard Details & Specifications.
- 7.04 Permit Required. All new assemblies require a City Building Department issued permit prior to final occupancy. All replaced assemblies require a City Building Department issued permit.

VIII-3-8.00 Testing and Maintenance

- 8.01 Completed at Customer Expense. Testing of an assembly is to be completed at the expense of the customer and only by a customer retained City authorized backflow prevention assembly tester or cross-connection control specialists.
- 8.02 Submission of Testing Results. Testing results are to be submitted to the City in electronic format, via the City's online platform.
- 8.03 Testing Results Due. Testing results are due immediately upon initial installation and then no later than one hundred eighty (180) calendar days upon receipt of annual notice from the City. In instances where the City Engineer deems the hazard to be significant,

more frequent testing intervals and submission results may be required.

- 8.04 Maintenance. Customers are to provide maintenance to their assembly as needed, to ensure uninterrupted protection of the public water system and recycled water system and to achieve annual passing test results. If assemblies are found by the customer or the City Engineer to be deficient, any defective assembly shall be immediately repaired, overhauled or replaced within thirty (30) calendar days per the requirements of the CCCP by and at the expense of the customer. All modified or replaced assemblies shall be promptly retested by the customer at their own expense.
- 8.05 Cross-Connection Control Plan. Backflow prevention assembly tester or cross-connection control specialists providing cross-connection services to customers shall be familiar with and comply with the detailed CCCP information that supports this Chapter.
- 8.06 Discontinue Water Service. If a customer does not complete required testing with passing results, the City Engineer may have the testing completed at the expense of the customer or have the water to the premises discontinued.

VIII-3-9.00 Notifications

- 9.01 Failing Test Result. Customers, backflow prevention assembly testers and/or cross-connection control specialists are required to notify the City Engineer within five (5) calendar days if an assembly fails an annual test.
- 9.02 Backflow or Cross-Connection Incident. Customers with an assembly, backflow prevention assembly testers and/or cross-connection control specialists are required to notify the City Engineer within twenty-four (24) hours of determining a known backflow or cross-connection incident.

VIII-3-10.00 Appeals

Except as otherwise provided by this Chapter and where a hearing on the matter is not otherwise required to be had by the City Council, any person aggrieved by a decision of any officer or department of City may appeal to the City Council in accordance with provisions of Section 5, Chapter 20, Title I of the Milpitas Municipal Code.

VIII-3-11.00 Penalties

The City may discontinue water service to any premises served if a required assembly is removed, or if the City finds evidence that an installed assembly has been bypassed, or allowed to remain ineffective or inoperative.

Any person or persons, company, corporation or association, who shall violate any of the provisions of this Chapter or fail to comply therewith, or who shall violate or fail to comply with any order made thereunder, shall severally for each and every violation and non-compliance respectively, be guilty of an infraction, punishable in accordance with the provisions of 1-1-4.09-1 of the Milpitas Municipal Code. The imposition of one fine for any violation shall not excuse the violation or permit it to continue; and all such persons shall be required to correct or remedy such violations or defects within a reasonable time; and when not

otherwise specified, each day that prohibited conditions are maintained shall constitute a separate offense.

The application of the above fine shall not be held to prevent the enforced removal of prohibited conditions.

SECTION 3. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The adoption of this ordinance has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment and is not a project pursuant to Pub. Resources Code, § 21065 and Cal. Code Regs., tit. 14, § 15378. Even if a project, the action is exempt from further CEQA review pursuant to Cal. Code Regs., tit. 14, § 15061(b)(3) as it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

SECTION 4. SEVERABILITY

The provisions of this Ordinance are separable, and the invalidity of any phrase, clause, provision or part shall not affect the validity of the remainder.

SECTION 5. EFFECTIVE DATE AND POSTING

In accordance with Section 36937 of the Government Code of the State of California, this Ordinance shall take effect thirty (30) calendar days from and after the date of its passage. The City Clerk of the City of Milpitas shall cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt Ordinance No. 240.8 Amending Sections of Chapter 6 of Title VIII of the Milpitas Municipal Code Relating to the Water Shortage Contingency Plan and Permanent Water Waste Restrictions (Staff Contract: Christian Di Renzo, Public Works Director, 408-586-2602)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	8/18/2026
Recommendation:	Waive the second reading and adopt Ordinance No. 240.8 Amending Sections of Chapter 6 of Title VIII of the Milpitas Municipal Code relating to the Water Shortage Contingency Plan and Permanent Water Waste Restrictions including a ban on watering nonfunctional turf.

BACKGROUND:

On June 9, 2026, the City Council adopted the 2025 Water Shortage Contingency Plan (WSCP) and introduced Ordinance No. 240.8 at the public hearing to amend Chapter 6 of Title VIII of the Milpitas Municipal Code relating to the Water Shortage Contingency Plan (WSCP) and Permanent Water Waste Restrictions including a Ban on Watering of Nonfunctional Turf. There were no changes to the Ordinance from the first reading; the Ordinance is now ready for its second reading and adoption.

ANALYSIS:

The City adopted the 2025 WSCP to be compliant with California Water Code § 10632. The major components of the 2025 WSCP include (1) Levels of Declared Water Shortage, (2) Financial Consequences of Drought, and (3) Recommended Demand Reduction Actions. Additionally, AB 1572 requires that local ordinances prohibiting watering of nonfunctional turf with potable water be adopted by January 1, 2027. Amending Chapter 6 of Title VIII of the Milpitas Municipal Code to incorporate all of these updates is necessary to ensure compliance with state law, avoid potential enforcement penalties, and align with broader state and regional conservation goals.

PROJECT SCHEDULE/KEY MILESTONES

Following adoption of Ordinance 240.8, a summary of the adopted ordinance will be posted in the Milpitas Post within 30 days of the August 18, 2026 hearing.

POLICY ALTERNATIVE(S):

Alternative: Do not adopt Ordinance 240.8 to amend Chapter 6 of Title VIII of the Milpitas Municipal Code to include updates from the 2025 WSCP and the prohibition of nonfunctional turf as a permanent water waste restriction.

Pros: None

Cons: Failure to adopt Ordinance 240.8 would cause the City to be noncompliant with AB 1572 requirements and not align with state and regional water conservation goals. Additionally, the adopted demand reduction actions in the 2025 WSCP cannot be enforced.

Reason for Not Recommending: Failure to include the prohibition of irrigating nonfunctional turf with potable water in the City's water conservation ordinance by 2027 will result in the City being in violation of AB 1572.

FISCAL IMPACT:

There are no fiscal impacts related to the adoption of Ordinance 240.8. The ordinance itself fulfills the state-mandated requirement to prohibit potable water use for irrigating nonfunctional turf and aligns with Assembly Bill 1572 and Water Code § 10608.14.

Funding for the required education and outreach efforts is already budgeted within Fund No. 401, CIP No. 7126 – Water Conservation Program.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action is exempt from CEQA pursuant to California Water Code Section 10652. The action is also categorically exempt from CEQA under State CEQA Guidelines, §15308 as this action is an action by a regulatory agency for the protection of the environment as authorized by state and local law.

ATTACHMENT:

(a) Ordinance No. 240.8

REGULAR

NUMBER: 240.8

TITLE: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILPITAS AMENDING CHAPTER 6 OF TITLE VIII OF THE MILPITAS MUNICIPAL CODE RELATING TO THE WATER SHORTAGE CONTINGENCY PLAN AND PERMANENT WATER WASTE RESTRICTIONS INCLUDING A BAN ON WATERING OF NONFUNCTIONAL TURF

HISTORY: This Ordinance was introduced (first reading) by the City Council at its meeting of _____, upon motion by _____ and was adopted (second reading) by the City Council at its meeting of _____, upon motion by _____. The Ordinance was duly passed and ordered published in accordance with law by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian M. Curtis, City Attorney

RECITALS AND FINDINGS:

WHEREAS, including as authorized by California Water Code section 375, the City of Milpitas has the authority to adopt and enforce a water conservation program to reduce the quantity of water used by persons within its jurisdiction for the purpose of conserving the water supplies of the City; and

WHEREAS, pursuant to California Water Code section 376, a water conservation program adopted pursuant to California Water Code section 375 may be adopted by a resolution or an ordinance, and such resolution or ordinance is effective upon its adoption; and

WHEREAS, on January 17, 2014, Governor Brown issued a Proclamation declaring a State of Emergency due to severe drought conditions in the State of California; and

WHEREAS, on August 19, 2014, the Milpitas City Council adopted Urgency Ordinance No. 240.2, declaring a water shortage, adding supplemental water use restrictions to the Water Shortage Contingency Plan (“WSCP”) as required by State law, and requested the community to implement water conservation measures with a goal of reducing consumption by twenty percent (20%); and

WHEREAS, on June 16, 2015, the Milpitas City Council adopted Urgency Ordinance 240.3, declaring the continuation of a water shortage, implemented Stage 2 of the Milpitas WSCP, and added additional conservation measures as required by State law, and requiring the community to implement water conservation measures with a goal of reducing consumption by thirty percent (30%); and

WHEREAS, as a result of increasing water supplies in many parts of the State, on May 9, 2016, Governor Brown issued Executive Order B-37-16, directing the State Water Resources Control Board to adjust and extend the emergency regulations for urban water conservation through the end of January 2017; and

WHEREAS, in response to the Governor’s directive, the State Water Resources Control Board adopted new emergency regulations, which continued a statewide conservation approach while replacing the prior percentage reduction-based water conservation standard with a localized approach that requires urban water suppliers to adopt a locally-developed conservation standard based on each supplier’s specific circumstances; and

WHEREAS, on August 16, 2016, the Milpitas City Council adopted Ordinance No. 240.5, declaring the continuation of a water shortage for the year 2016, implemented Stage One of the WSCP, modified the supplemental water use restrictions, and requested the community to implement water conservation measures with a goal of reducing consumption by twenty percent (20%); and

WHEREAS, on April 7, 2017, Governor Brown issued Executive Order B-40-17, terminating the January 17, 2014 drought State of Emergency for most counties in California, including Santa Clara County and directed the State Water Resources Control Board to rescind the water supply stress test for urban water suppliers as well as any remaining mandatory conservation standards, but to maintain urban water use reporting requirements and prohibitions on wasteful practices such as watering during or after rainfall, hosing off sidewalks, and irrigating ornamental turf on public street medians; and

WHEREAS, on June 20, 2017, the Milpitas City Council adopted Ordinance No. 240.6, declaring the termination of Stage Two of the WSCP and implemented a ten percent (10%) voluntary call for conservation; and

WHEREAS, following the end of the drought, the California Legislature modified the Urban Water Management Planning Act in 2018 to include additional water shortage planning requirements. California Water Code has significant updates specifically to Code Section 10632 that now mandates new elements to Urban Water Management Plans and Water Shortage Contingency Plans, including an annual drought risk assessment, standard water shortage levels and statewide water use prohibitions; and

WHEREAS, on June 9, 2021, the Santa Clara Valley Water District (Valley Water) Board of Directors adopted a resolution calling for mandatory water use reductions; and

WHEREAS, on June 15, 2021, the Milpitas City Council adopted Resolution No. 9086, “A resolution adopting the 2020 Urban Water Management Plan (‘UWMP’),” which includes water conservation as a necessary and effective component of the City’s programs to provide a reliable supply of water to meet the needs of its customers; and

WHEREAS, on June 15, 2021, the Milpitas City Council adopted Resolution No. 9087, “A resolution adopting the 2020 Water Shortage Contingency Plan (‘WSCP’),” establishes standards and procedures to enable implementation and enforcement of local water shortage contingency measures and water shortage levels. These measures align with California Water Code Sections 353 and 375, and.

WHEREAS, on July 8, 2021 the Governor issued Executive Order N-10-21 declaring a State of Emergency due to drought conditions; and

WHEREAS, the City conducts an Annual Water Supply and Demand Assessment pursuant to California Water Code 10632 and, on or before July 1 of each year, beginning in 2022, submits an annual water shortage assessment report to the California Department of Water Resources with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the City’s WSCP; and

WHEREAS, on August 5, 2021, the Milpitas City Council adopted Ordinance No. 240.7 to amend Chapter 6 of Title VIII in the Milpitas Municipal Code relating to the Water Shortage Contingency plan, and to declare a Level 2 Water Shortage, in line with conservation calls from Valley Water, San Francisco Public Utilities Commission, and the State; and

WHEREAS, on October 19, 2021, Governor Newsom issued a proclamation for a statewide drought emergency and directed the State Water Resource Control Board to adopt emergency regulations to prohibit certain wasteful uses of water; and

WHEREAS, on November 23, 2021, the San Francisco Public Utilities Commission declared a water shortage emergency and called for a voluntary 10% water use reduction; and

WHEREAS, on January 4, 2022, in response to the Governor’s directive, the State Water Resources Control Board adopted new emergency regulations, which prohibits certain wasteful water use practices, such as the use of decorative water fountains, using irrigation systems during and within 48 hours of rain, and using water to clean sidewalks and driveways, among others; and

WHEREAS, on March 28, 2022, Governor Newsom issued Executive Order N-7-22, directing the State Water Resources Control Board to adopt regulations requiring urban water retail suppliers that have submitted a water shortage contingency plan to implement, at a minimum, shortage response actions for Level 2 Water Shortage. The Executive Order also directs the State Water Board to adopt regulations that prohibit the irrigation of strictly ornamental turf areas for the commercial, industrial, and institutional sectors; and

WHEREAS, on May 24, 2022, the State Water Resources Control Board adopted an emergency regulation that requires urban water retailers to implement Level 2 Water Shortage Contingency Plan actions and to prohibit the watering of “nonfunctional turf” (that is, turf that is strictly ornamental and does not serve human recreational purposes) using potable water, except to ensure the health of trees and perennial non-turf plantings, effective on June 10, 2022; and

WHEREAS, on September 22, 2022, Valley Water adopted Ordinance No. 22-02 to establish mandatory outdoor water conservation measures with corresponding enforcement measures as part of a mandatory outdoor water conservation program, for all property owners in Santa Clara County who receive potable water supplied or managed by Valley Water, which includes watering restrictions of nonfunctional turf; and

WHEREAS, on December 7, 2022, the State Water Resources Control Board readopted the emergency drought regulations from January 4, 2022, which prohibit wasteful uses of water; and

WHEREAS, on March 24, 2023, Governor Newsom issued Executive Order N-5-23, which terminated the state’s 15% voluntary water conservation goal and the requirement that local agencies implement Level 2 Water Shortage actions, while maintaining the requirement to enforce the prohibition of wasteful water use practices and retaining the state of emergency to allow for the continuation of drought response activities and support for regions still experiencing drought and water shortage conditions; and

WHEREAS, on April 11, 2023, the San Francisco Public Utilities Commission voted to rescind its November 2021 water shortage emergency declaration, while keeping its 11% voluntary water conservation target to remain consistent with the State Water Resource Control Board’s regulation requiring urban water agencies to implement Level 2 Water Shortage Contingency Plan actions; and

WHEREAS, on April 12, 2023, Valley Water’s Board of Directors voted to rescind its water shortage emergency declaration and the mandatory call of 15% water use reduction, while maintaining the ban on wasteful water use practices and switching to a voluntary 15% water conservation goal. The Board of Directors directed Valley Water to provide recommendations for additional actions to continue promoting water conservation as a way of life; and

WHEREAS, on May 16, 2023, the Milpitas City Council adopted Resolution No.9246 to terminate the Level 2 Water Shortage declared on August 5, 2021 and revert to a Level 0 Water Shortage, which includes enforcement of permanent water waste restrictions that promote water conservation as a “Milpitas Way of Life”; and

WHEREAS, on October 13, 2023, Governor Newsom signed Assembly Bill 1572, which prohibits the use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, and on properties of homeowners’ associations, common interest developments, and community service organizations or similar entities; other than cemeteries. The bill authorizes a public water system, city, county, or city and county to enforce these provisions in phases, as defined; and

WHEREAS, for the protection of the public health, safety, and welfare, including to protect against critical water shortages and the disastrous consequences thereby to the necessary and basic human needs of the population, sanitation, and fire protection, the Milpitas City Council wishes to adopt the water conservation practices contained herein; and

WHEREAS, in accordance with California Water Code section 375 et seq., and the laws and regulations cited above, the City complied with the notice, publication and/or posting requirements for the Ordinance as specified by state law.

NOW, THEREFORE, the City Council of the City of Milpitas does ordain as follows:

SECTION 1. RECORD AND BASIS FOR ACTION

The City Council has duly considered the full record before it, which may include but is not limited to such things as the City staff report, testimony by staff and the public, and other materials and evidence submitted or provided to the City Council. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.

SECTION 2. ADDITIONAL FINDINGS

The City Council finds that pursuant to California Water Code section 375, et seq., due to the persistent and unpredictable water conditions in the State, statutory requirements for water planning, and the declared policy of the State, it is necessary and appropriate for the City to adopt, implement, and enforce a water conservation program with stages of water shortage restrictions, including emergency stages, to reduce the quantity of water used by consumers within the City, to preserve water supplies, to prevent the waste or unreasonable use or unreasonable method of use of water, and to ensure that there is sufficient water for human consumption, sanitation, and fire protection.

SECTION 3. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII, CHAPTER 6, SECTION 1

Title VIII, Chapter 6, Section 1 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-6-1.00 – Findings and Purpose

The City Council of the City of Milpitas has found that the limited supply of City waters are subject to ever increasing demands and statewide requirements; that the City's economic prosperity depends on adequate supplies of water; and that the City policy promotes conservation and efficient use of potable water.

Consistent with the above findings, the purpose of this chapter is to promote the values and benefits of conservation and efficient use of potable water; and establish provisions for water management practices to enable effective water supply planning and prevention of potable water waste.

This chapter outlines processes and procedures to implement during times of declared water shortage.

SECTION 4. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII, CHAPTER 6, SECTION 2

Title VIII, Chapter 6, Section 2 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-6-2.00 – Definitions

The words used in this chapter have the meaning set forth below:

- 2.01 “Recycled water,” “Reclaimed Water,” and “Treated Sewage Effluent Water” means treated or recycled wastewater of a quality suitable for non-potable uses such as landscape irrigation, and not intended for human consumption.
- 2.02 “Runoff” means water that is not absorbed by the surface to which it is applied and flows from the area.
- 2.03 “Potable Water” means water sold by the City intended for human consumption.
- 2.04 “Recirculated water” means water that is circulated in a system that recirculates water through an internal circulation device.
- 2.05 “Water Shortage Contingency Plan” or “WSCP” means the most recent version of the plan adopted by the City consistent with California Water Code sections 10632 et seq., which establishes standards and procedures to enable implementation and enforcement of local water shortage contingency measures and defines six water shortage levels.
- 2.06 “Pools and spas” means a design element where open water performs a recreational function for which water is supplied through a City potable water meter.
- 2.07 “Water feature” means a design element where open water performs an aesthetic or recreational function. Water features include ponds, lakes, waterfalls, fountains, artificial streams for which water is supplied through a City potable water meter. Pools and Spas are not considered water features and are defined separately.
- 2.08 “Annual Water Supply and Demand Assessment” or “Annual Assessment” means an annual report with information for anticipated shortage, triggered shortage response actions, compliance and enforcement actions, and communication actions consistent with the City’s WSCP.
- 2.09 “Measurable rainfall” means at least one fourth of one inch of rain.
- 2.10 “Ornamental turf” means grass grown for decorative purposes.
- 2.11 “Commercial property” means a place of business that provides or distributes a product or service. Commercial properties include, but are not limited to, retail and shopping malls, restaurants, hotels, office buildings, and any use designated as a commercial use in the Milpitas Zoning Ordinance.
- 2.12 “Industrial property” means a place that is primarily used for the manufacturing or processing of materials as defined by the North American Industry Classification System code sectors 31 to 33, inclusive, or research and development. Industrial properties include any use designated as an industrial use in the Milpitas Zoning Ordinance.
- 2.13 “Institutional property” means a place dedicated to providing a public service. This type of user includes, among other users, higher education institutions, schools, courts, churches, hospitals, government facilities, and nonprofit research institutions.
- 2.14 “Residential property” means private property upon which a residential structure is located. “Residential property” includes the entirety of the private property but does not include any public right of way or access easement over that property. For the purpose of multi-family properties with separately habitable units, each unit shall be separately considered its own residential property and common areas shall not be considered residential property.
- 2.15 “Common area” means that portion of a common interest development or of a property owned or managed by a homeowners’ association or a community service organization or similar entity that is not assigned or allocated to the exclusive use of the occupants of an individual dwelling unit within the property.

- 2.16 “Common interest development” means any of the following:
- a) A community apartment project.
 - b) A condominium project.
 - c) A planned development.
 - d) A stock cooperative.
- 2.17 “Community service organization or similar entity” means a nonprofit entity, other than an association, that is organized to provide services to residents of the common interest development or to the public in addition to the residents, to the extent community common area or facilities are available to the public. “Community service organization or similar entity” does not include an entity that has been organized solely to raise moneys and contribute to other nonprofit organizations that are qualified as tax exempt under Section 501(c)(3) of the Internal Revenue Code and that provide housing or housing assistance.
- 2.18 “Community space” means an area designated by a property owner or a governmental agency to accommodate human foot traffic for civic, ceremonial, or other community events or social gatherings.
- 2.19 “Disadvantaged community” means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.
- 2.20 “Functional turf” means a ground cover surface of turf located in a recreational use area or community space. Turf enclosed by fencing or other barriers to permanently preclude human access for recreation or assembly is not functional turf; however, turf located at cemeteries is considered functional.
- 2.21 “Homeowners’ association” means a nonprofit corporation or unincorporated association created for the purpose of managing a common interest development.
- 2.22 “Nonfunctional turf” means any turf that is not functional turf, and includes turf located within street rights-of-way and parking lots. Nonfunctional turf includes but is not limited to:
- a) streetscape turf which is located along private or public streets (e.g., mow strips on either side of street), along streetscape sidewalks (narrow spaces of turf that line the sidewalk on private or public property), along driveways and parking lots within the community, business streetscape frontage areas, and within medians within roundabouts;
 - b) turf that is solely ornamental
 - c) other turf that is not functional turf.
- 2.23 “Recreational use area” means an area designated by a property owner or a governmental agency to accommodate human foot traffic for recreation, including, but not limited to, sports fields, golf courses, playgrounds, picnic grounds, or pet exercise areas. This recreation may be either formal or informal.

SECTION 5. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII, CHAPTER 6, SECTION 3

Title VIII, Chapter 6, Section 3 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-6-3.00 – Permanent Water Use Restrictions

The following water conservation requirements are effective at all times and are permanent as outlined in the City’s WSCP, incorporated herein by reference as if fully set forth herein. More restrictive measures may be in place depending on the declared water shortage level. Violations of this section will be considered waste and an unreasonable use of water.

The table entitled “Table 3-1. Retail: Water Shortage Contingency Plan Levels (Department of Water Resources [DWR] Submittal Table 8-1)” is adopted as part of the WSCP and is attached as Exhibit “A.”

EXHIBIT “A”

Table 3-1. Retail: Water Shortage Contingency Plan Levels (DWR Submittal Table 8-1)

DWR Submittal Table 8-1 Water Shortage Contingency Plan Levels		
Shortage Level	Percent Shortage Range	Shortage Response Actions
0	0% (Normal)	A Level 0 Water Supply Shortage – Condition exists when the City notifies its water users that no supply reductions are anticipated in this year. City proceeds with planned water efficiency best practices to support consumer demand reduction in line with state mandated requirements and local City goals for water supply reliability. Permanent water waste prohibitions are in place as stipulated in the City's Water Shortage Response Ordinance.
1	Up to 10%	A Level 1 Water Supply Shortage – Condition exists when the City notifies its water users that due to drought or other supply reductions, a consumer demand reduction of up to 10% is necessary to make more efficient use of water and respond to existing water conditions. The City shall implement the mandatory Level 1 conservation measures identified in this WSCP. The type of event that may prompt the City to declare a Level 1 Water Supply Shortage may include, among other factors, a finding that its wholesale water provider calls for extraordinary water conservation.
2	11% to 20%	A Level 2 Water Supply Shortage – Condition exists when the City notifies its water users that due to drought or other supply reductions, a consumer demand reduction of up to 20% is necessary to make more efficient use of water and respond to existing water conditions. Upon declaration of a Level 2 Water Supply Shortage condition, the City shall implement the mandatory Level 2 conservation measures identified in this WSCP.
3	21% to 30%	A Level 3 Water Supply Shortage – Condition exists when the City declares a water shortage emergency condition pursuant to California Water Code section 350 and notifies its residents and businesses that up to 30% consumer demand reduction is required to ensure sufficient supplies for human consumption, sanitation and fire protection. The City must declare a Water Supply Shortage Emergency in the manner and on the grounds provided in California Water Code section 350.

4	31% to 40%	A Level 4 Water Supply Shortage - Condition exists when the City declares a water shortage emergency condition pursuant to California Water Code section 350 and notifies its residents and businesses that up to 40% consumer demand reduction is required to ensure sufficient supplies for human consumption, sanitation and fire protection. The City must declare a Water Supply Shortage Emergency in the manner and on the grounds provided in California Water Code section 350.
5	41% to 50%	A Level 5 Water Supply Shortage - Condition exists when the City declares a water shortage emergency condition pursuant to California Water Code section 350 and notifies its residents and businesses that up to 50% or more consumer demand reduction is required to ensure sufficient supplies for human consumption, sanitation and fire protection. The City must declare a Water Supply Shortage Emergency in the manner and on the grounds provided in California Water Code section 350.
6	>50%	A Level 6 Water Supply Shortage – Condition exists when the City declares a water shortage emergency condition pursuant to California Water Code section 350 and notifies its residents and businesses that greater than 50% or more consumer demand reduction is required to ensure sufficient supplies for human consumption, sanitation and fire protection. The City must declare a Water Supply Shortage Emergency in the manner and on the grounds provided in California Water Code section 350.

The table entitled “Table 3-2. Demand Reduction Actions (DWR Submittal Table 8-3)” is adopted as part of the WSCP and is attached as Exhibit “B.”

EXHIBIT “B”

Table 3-2. Demand Reduction Actions (DWR Submittal Table 8-3)

DWR Submittal Table 8-3 Demand Reduction Actions				
Shortage Level	Demand Reduction Actions	How much is this going to reduce the shortage gap?	Additional Explanation or Reference	Penalty, Charge, or Other Enforcement?
0	Other water feature or swimming pool restriction	Statewide Prohibition is Required	Cleaning, filling, or operating water features, such as decorative fountains, except where the water is part of a recirculating system.	No
0	Other	Statewide Prohibition is Required	Washing or hosing down vehicles is prohibited except by use of a hand held container, hose with an automatic shut off device, or at a commercial car wash.	No

0	Other - Prohibit use of potable water for washing hard surfaces	Statewide Prohibition is Required	Washing hard or paved surfaces is prohibited except to alleviate safety or sanitary hazards using a hand held container, hose with an automatic shut off device, or a low-volume high pressure cleaning machine that recycles used water.	No
0	Landscape - Restrict or prohibit runoff from landscape irrigation	Statewide Prohibition is Required	Watering vegetated areas in a manner that causes excessive water flow or runoff onto an adjoining sidewalk, driveway, street, alley, gutter, or ditch is prohibited.	No
0	Landscape - Other landscape restriction or prohibition	Statewide Prohibition is Required	Irrigating ornamental turf on public street medians is prohibited.	No
0	Landscape - Other landscape restriction or prohibition	Statewide Prohibition is Required	No landscape watering shall occur within 48 hours after measurable precipitation.	No
0	Landscape - Other landscape restriction or prohibition	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Prohibited use of broken or defective plumbing, sprinkler, watering or irrigation systems	No
0	Landscape - Other landscape restriction or prohibition	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Prohibited use of potable water for outdoor irrigation in newly constructed homes and buildings, except with drip or microspray irrigation systems.	No
0	CII - Restaurants may only serve water upon request	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	CII - Restaurants may only serve water upon request	No
0	CII - Other CII restriction or prohibition	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	No water in new, added or altered cooling system equipment unless at least fifty percent (50%) of the water is recycled.	No

0	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	All new commercial car wash and laundry facilities must re-circulate the wash water.	No
0	Landscape - Limit landscape irrigation to specific times	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Watering or irrigation of vegetated areas is prohibited between 9 am and 6 pm except by use of a hand held device, hose equipped with an automatic shutoff device, or for adjusting or repairing an irrigation system for short periods of time.	No
0	Other - Require automatic shut of hoses	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Use a shutoff nozzle on hoses.	No
0	Pools and Spas - Require covers for pools and spas	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Pools and spas shall be covered when not in use to prevent evaporation.	No
0	Other - Prohibit use of potable water for construction and dust control	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Require a construction water use plan be submitted to the water supplier that addresses how impacts to existing water users will be mitigated (such as dust control).	No
0	Landscape - Limit landscape irrigation to specific days	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Irrigation shall be limited to 4 days per week turf watering when using potable water.	No
0	Landscape - Other landscape restriction or prohibition	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Prohibited use of potable water for outdoor irrigation in newly constructed homes and buildings, except with drip or microspray irrigation systems.	No

0	Landscape - Other landscape restriction or prohibition	Ongoing long-term conservation savings measure. N/A to WSCP quantifiable savings.	Prohibited use of potable water for the irrigation of nonfunctional turf located on commercial, industrial, and institutional properties, other than cemeteries, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities.	No
1	Landscape - Limit landscape irrigation to specific times	0-5%	Watering or irrigation of vegetated areas is prohibited between 9 am and 6 pm except by use of a hand held device, hose equipped with an automatic shutoff device, or for adjusting or repairing an irrigation system for short periods of time.	Yes
1	Landscape - Limit landscape irrigation to specific days	0-5%	Irrigation shall be limited to 4 days per week turf watering when using potable water.	Yes
1	Expand Public Information Campaign	0-1%	Community Outreach and Messaging (Expand Public Information Campaign)	Yes
1	Reduce System Water Loss	0-5%	Real Loss Reduction - Pressure Management and More Aggressive Leak Detection and Repair	Yes
1	Increase Water Waste Patrols	0-1%	Increase Water Waste Patrols	Yes
1	Expand Public Information Campaign	0-1%	Expand promotion and outreach about rebates available	No
2	Improve Customer Billing	0-1%	Improve AMI Leak Reports to include more details on water use	No
2	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	0-1%	Fix leaks or faulty sprinklers promptly/within 5 days.	Yes
2	Landscape - Other landscape restriction or prohibition	0-1%	Prohibited use of broken or defective plumbing, sprinkler, watering or irrigation systems.	Yes

2	Landscape - Limit landscape irrigation to specific days	5-10%	Irrigation shall be limited to 3 days per week turf watering when using potable water. Plant containers, trees, shrubs and vegetable gardens may be watered additional days using only drip irrigation or hand watering.	Yes
2	Water Features - Restrict water use for decorative water features, such as fountains	0-1%	Filling or refilling ornamental lakes and ponds is prohibited. Ornamental lakes and ponds that sustain aquatic life of significant value and were actively managed prior to the storage declaration are exempt.	Yes
2	Pools and Spas - Require covers for pools and spas	0-1%	Pools and Spas - Require covers for pools and spas	Yes
2	Decrease Line Flushing	0-1%	Decrease Line Flushing	Yes
2	CII - Restaurants may only serve water upon request	0-1%	CII - Restaurants may only serve water upon request	Yes
2	Pools - Allow filling of swimming pools only when an appropriate cover is in place.	0-1%	Pools - Allow filling of swimming pools only when an appropriate cover is in place.	Yes
3	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	0-1%	Fix leaks or faulty sprinklers within 4 days.	Yes
3	Other - Prohibit vehicle washing except at facilities using recycled or recirculating water	0-1%	Car washing is only permitted using a commercial carwash that recirculates water or by high pressure/low volume wash systems.	Yes
3	Other - Prohibit use of potable water for construction and dust control	0-1%	Require a construction water use plan be submitted to the water supplier that addresses how impacts to existing water users will be mitigated (such as dust control).	Yes

3	Landscape - Limit landscape irrigation to specific days	10-25%	Irrigation shall be limited to 2 days per week turf watering when using potable water. Plant containers, trees, shrubs and vegetable gardens may be watered additional days using only drip irrigation or hand watering.	Yes
3	Other water feature or swimming pool restriction	0-1%	Decorative water features that use potable water must be drained and kept dry.	Yes
3	CII - Other CII restriction or prohibition	0-1%	No water in new, added or altered cooling system equipment unless at least fifty percent (50%) of the water is recycled.	Yes
4	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	0-1%	Fix leaks or faulty sprinklers within 3 days.	Yes
4	Landscape - Limit landscape irrigation to specific days	5-20%	Irrigation shall be limited to 1 days per week turf watering when using potable water. Plant containers, trees, shrubs and vegetable gardens may be watered additional days using only drip irrigation or hand watering.	Yes
4	Other water feature or swimming pool restriction	0-1%	Existing pools shall not be emptied and refilled using potable water unless required for public health and safety purposes.	Yes
4	Other water feature or swimming pool restriction	0-1%	No new permits for pools will be issued.	Yes
4	Landscape - Prohibit certain types of landscape irrigation	0-1%	Irrigation of golf courses only allowed for greens and tees area.	Yes
5	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	0-1%	Fix leaks or faulty sprinklers within 2 days.	Yes

5	Landscape - Prohibit all landscape irrigation	5-20%	All irrigation is prohibited.	Yes
5	Landscape - Prohibit certain types of landscape irrigation	0-1%	Watering of all golf course areas is prohibited.	Yes
5	Landscape - Prohibit certain types of landscape irrigation	0-1%	Watering of parks, school grounds, and recreation fields is prohibited, except for rare plant or animal species.	Yes
6	Other - Customers must repair leaks, breaks, and malfunctions in a timely manner	0-1%	Fix leaks or faulty sprinklers within 1 day.	Yes
6	Other	0-50%	Water use for public health and safety purposes only.	Yes
6	Landscape - Prohibit all landscape irrigation	0-5%	The City may shut off all non-essential water services. All irrigation is prohibited.	Yes
6	CII - Other CII restriction or prohibition	0-15%	Water for commercial, manufacturing, or processing purposes shall be reduced in volume by up to 50% or exceeded if necessary for public health and safety purposes.	Yes
6	Other	0-70%	Water use for public health and safety purposes only. Customer rationing may be implemented.	Yes

The following uses of potable water are prohibited for all water users at all times and are permanent:

- 3.01 Use that results in flooding or runoff in gutters, waterways, patios, sidewalks, driveways, or streets except as permitted in Section 3.02 (a) and (b).
- 3.02 Use of pressure washer or hand-held hose not equipped with a positive self-closing water shutoff device for:
 - (a) Washing cars, buses, boats, aircraft, trailers or other vehicles or mobile equipment;
 - (b) Watering outside plants, lawn, landscape, and turf areas.
- 3.03 Except upon the request of a customer, service of water by any establishment including but not limited to restaurants, hotels, cafes, cafeterias, bars, or other public places where food or drink are served and/or purchased.
- 3.04 Use through broken or defective plumbing, sprinkler, watering, or irrigation systems.
- 3.05 Use in new, added, or altered commercial car wash equipment unless a

- recirculating water system is incorporated.
- 3.06 Use in new, added, or altered cooling system equipment unless at least fifty percent (50%) of the water is recirculated. A waiver to allow less than fifty percent (50%) recirculating may be granted by the Chief Building Official due to water quality concerns only. Cost is not an acceptable reason to request or receive a waiver.
- 3.07 Use for irrigation if recycled water, reclaimed water, or treated sewage effluent water is available, except in the following situations as deemed necessary by City Engineer/Public Works Director:
- (a) Irrigation of City Cultural Resources;
 - (b) Where recycled water, reclaimed water, and treated sewage effluent water use is prohibited under Title 22 of the California Water Code;
 - (c) Other situations where recycled water, reclaimed water, or treated sewage effluent water use is deemed inappropriate by the City Engineer/Public Works Director.
- 3.08 Use for hosing of sidewalks, driveways, walkways, parking areas and other paved surfaces.
- 3.09 Use for construction purposes, including dust control and compaction.
- 3.10 Use for cleaning, filling, or operating water features, such as decorative fountains, ponds, lakes or other similar aesthetic structures, except where the water is part of a recirculating system. The only exception may be a water feature currently listed in the National Register of Historic Places, where water use deemed necessary for integrity of the feature.
- 3.11 Use to irrigate outdoor plants, lawn, grass, landscaping, or turf areas during and within forty-eight (48) hours after measurable rainfall.
- 3.12 Use for outdoor irrigation in newly constructed homes and buildings, except with drip or microspray irrigation systems.
- 3.13 Uncovered Pools and Spas when not in use.
- 3.14 The prohibitions enumerated in 3.11 and 3.12 do not apply to any storm water treatment features, such as landscape based bioretention areas and green roofs, to meet the requirements of Municipal Regional Stormwater National Pollutant Discharge Elimination System Permit No. CAS612008, C3 Provision.
- 3.15 The use of potable water for irrigation of nonfunctional turf on commercial, industrial, and institutional properties, other than a cemetery, and on properties of homeowners' associations, common interest developments, and community service organizations or similar entities will be prohibited as set forth below:
- (a) The following properties must stop irrigating nonfunctional turf with potable water by the following dates:
 - 1. All properties owned by the California Department of General Services, beginning January 1, 2027;
 - 2. All properties owned by local governments, local or regional public agencies, and public water systems, except those specified in paragraph (5), beginning January 1, 2027;
 - 3. All other institutional properties and all commercial and industrial properties, beginning January 1, 2028;

4. All common areas of properties of homeowners' associations, common interest developments, and community service organizations or similar entities, beginning January 1, 2029;
 5. All properties owned by local governments, local public agencies, and public water systems in a disadvantaged community, beginning January 1, 2031, or the date upon which a state funding source is made available to fund conversion of nonfunctional turf on these properties to climate-appropriate landscapes, whichever is later.
- (b) Notwithstanding subdivision (a), the use of potable water is not prohibited by this section to the extent necessary to ensure the health of trees and other perennial nonturf plantings, or to the extent necessary to address an immediate health and safety need.
 - (c) The State Water Resources Control Board may, upon a showing of good cause for reasons including economic hardship, critical business need, and potential impacts to human health or safety, postpone a compliance deadline in subdivision (a) by up to three years for certain persons, institutions, and businesses, and may create a form to be used for compliance certification to the board by property owners.
 - (d) The prohibitions and requirements identified in this Section are not applicable to:
 1. Turf landscapes located on single family residential properties
 2. Turf landscapes that are irrigated using recycled water
- 3.16 Use for watering or irrigation of non-turf plants, functional turf, lawn, grass, or landscaping except between the hours of 6:00 p.m. through 9:00 a.m. and for no more than four (4) days during any seven-day period. The days of watering shall be:
- Address Ending in Odd Number: Monday, Wednesday, Thursday, and Saturday;
 - Address Ending in Even Number: Tuesday, Thursday, Friday, and Sunday;
 - No address: Monday, Tuesday, Thursday, and Sunday.
- The following activities are exempt from the day and time restrictions on watering or irrigation (only in WSCP shortage levels 0 and 1):
- (a) Use for short periods during timer adjustment and repair of irrigation system are exempt from the time and day restriction set forth above.
 - (b) Watering by hand.
 - (c) Watering plants slated for sale in nursery/garden centers.
 - (d) Watering using drip irrigation systems.
 - (e) Landscape irrigation zones that are controlled by an activated weather-based irrigation controller.
- 3.17 Exceptions to the prohibitions enumerated in 3.09, 3.10, 3.11, 3.12, 3.13, 3.14, 3.15 and 3.16 may be granted where necessary to address an immediate health and safety need, or to comply with a term or condition in a permit issued by a state or federal agency, or where otherwise allowed by law.

SECTION 6. AMENDMENT OF MILPITAS MUNICIPAL CODE TITLE VIII, CHAPTER 6, SECTION 7

Title VIII, Chapter 6, Section 7 of the Milpitas Municipal Code is hereby amended to read as follows:

VIII-6-7.00 – Applicability

The prohibitions identified in Sections 3.01 through 3.16 are applicable to all water customers using potable water. Water users listed in Section 3.15 are subject to additional prohibitions. The prohibitions and rationing requirements identified in this Chapter are not applicable to fountains, irrigation systems, cooling towers, and dual-plumb sites that use non-potable water such as recycled water.

SECTION 7. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

The adoption of this Ordinance is categorically exempt under CEQA Guidelines Section 15308 as this action, as authorized by state and local law, is to assure the maintenance, restoration, enhancement, or protection of the environment and the regulatory process herein involves procedures for protection of the environment. The adoption of this Ordinance is further categorically exempt under California Water Code section 10652 as this action implements actions taken pursuant to California Water Code section 10632, including the adoption of additional, locally appropriate demand reduction actions to adequately respond to shortages and mandatory prohibitions against specific water use practices that are in addition to state-mandated prohibitions and appropriate to the local conditions.

SECTION 8. SEVERABILITY

The provisions of this Ordinance are separable, and the invalidity of any phrase, clause, provision or part shall not affect the validity of the remainder.

SECTION 9. EFFECTIVE DATE AND POSTING

In accordance with Section 36937 of the Government Code of the State of California, this Ordinance shall take effect thirty (30) days from and after the date of its passage. The City Clerk of the City of Milpitas shall cause this Ordinance or a summary thereof to be published in accordance with Section 36933 of the Government Code of the State of California.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the Purchasing Agent, or Designee, to Dispose of Surplus Vehicles and Equipment Each Valued at Over \$5,000 and Authorize the City Manager, or Designee, to Negotiate and Execute an Agreement with J.J. Kane Associates, Inc. for Auction Services (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111; and Christian Di Renzo, Public Works Director, 408-586-2602)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	9/1/2026
Recommendation:	Authorize the Purchasing Agent, or designee, to dispose of the 19 surplus vehicles and three pieces of surplus equipment listed in this report, each with an estimated current market value of more than \$5,000, and authorize the City Manager, or designee, to negotiate and execute an agreement with J.J. Kane Associates, Inc. for auction services for the sale of surplus property, for an initial term beginning on the date of contract execution and ending on January 27, 2029, coterminous with Sourcewell Contract No. 111424-JJK, with up to three additional one-year options to extend the agreement through January 27, 2032, to be exercised at the City's sole discretion and contingent on a valid cooperative or other competitively procured contract remaining in effect.

BACKGROUND:

The City of Milpitas (City) currently owns 270 vehicles and over 500 pieces of equipment to support City operations. City staff periodically evaluate vehicles and equipment to assess whether they remain operationally necessary, cost-effective to maintain, and suitable for continued service. Based on a recent evaluation, staff determined that 19 vehicles and three pieces of equipment, each with estimated values of over \$5,000, are no longer viable for use. While City [Municipal Code Section I-2-7.01](#) (Disposal of Property with an Estimated Value of \$5,000 or Less) authorizes the Purchasing Agent, or designee, to dispose of property valued at \$5,000 or less, disposal of property valued at more than \$5,000 per item requires City Council approval in accordance with City [Municipal Code Section I-2-7.03](#) (Disposal of Property with an Estimated Value of More Than \$5,000).

The City typically utilizes auction services to dispose of surplus property. On [January 23, 2024](#), City Council authorized staff to enter into an agreement with J.J. Kane Associates, Inc. (J.J. Kane); the contract expired April 29, 2026.

ANALYSIS:

Staff seek City Council approval to dispose of the following vehicles and equipment, each of which are estimated to have a value of greater than \$5,000 each:

Year	Fleet ID	Manufacturer	Model	Asset Type	Estimated Useful Life (Years)
1997	SP52-1997	HALMK	G820T2-102	Trailer	8
1997	F925-1997	Serro	HD-32PC	Trailer	10
1998	L273-1998	Ford	F250 Pickup	Maintenance Vehicle	7
2010	Z494-2010	Ford	Crown Victoria	Fleet Pool Vehicle	5
1999	Z402-1999	Ford	F150 Pickup	Maintenance Vehicle	7
2010	Z418-2010	Ford	Crown Victoria	Fleet Pool Vehicle	5
2009	Z405-2009	Ford	Crown Victoria	Fleet Pool Vehicle	5

Year	Fleet ID	Manufacturer	Model	Asset Type	Estimated Useful Life (Years)
1997	Z416-1997	Ford	F450 Superduty	Maintenance Vehicle	7
1998	U280-1998	Ford	Ranger	Maintenance Vehicle	7
2000	S908-2000	Vermeer	TLR20	Trailer	10
2016	PT08-2016	Ford	Interceptor	Patrol Vehicle	5
2017	PT03-2017	Ford	Explorer	Patrol Vehicle	6
2015	PT02-2015	Ford	Taurus	Patrol Vehicle	5
2016	PT23-2016	Ford	Interceptor	Patrol Vehicle	5
2018	PT25-2018	Ford	Interceptor	Patrol Vehicle	6
2017	PT10-2017	Ford	Explorer	Patrol Vehicle	5
2016	PT13-2016	Ford	Interceptor	Patrol Vehicle	5
2014	PT18-2014	Ford	Interceptor	Patrol Vehicle	5
2018	PT09-2018	Ford	Explorer 4X4	Patrol Vehicle	6
2015	PT14-2015	Ford	Interceptor	Patrol Vehicle	5
2001	F049-2001	International	4800 4X4	Fire Brush Truck	15
1998	B275-1998	Ford	F250 Pickup	Maintenance Vehicle	7

On November 14, 2024, Sourcewell, a State of Minnesota local government unit and service cooperative, issued a [Request for Proposal \(RFP\) #111424](#) for Auction Services with Related Solutions. On January 22, 2025, Sourcewell awarded [Contract No. 111424-JJK](#) to J.J. Kane Associates, Inc. pursuant to the RFP. The City's Purchasing Agent, in accordance with City [Municipal Code Section I-2-3.05](#), which authorizes the Purchasing Agent to make purchases based upon an agreement or cooperative purchasing program entered into by another public agency, reviewed the Sourcewell RFP and awarded contract, and confirmed the RFP competitive process was consistent with, and at least as restrictive as, the City's procurement processes.

Based on this, staff request authorization to negotiate and execute an agreement with J.J. Kane Associates, Inc. (J.J. Kane) to provide auction services for disposing of City surplus. By leveraging the Sourcewell cooperative agreement, J.J. Kane will charge the City a 5% commission fee for the sale of vehicles and heavy equipment, two percentage points below the vendor's standard 7% rate. For palletized and miscellaneous items, the Sourcewell commission is up to 20%, compared to a standard rate of up to 25%. Additionally, the City can utilize the vendor's services to sell surplus property valued at \$5,000 or less, and City staff have access to J.J. Kane's other services, such as online auctions.

Based on J.J. Kane's commission rates and estimated auction values for the assets listed above, staff estimates net proceeds from the sale of these items will be approximately \$100,000; final sales prices can vary significantly based on the number of auction participants, item condition, mileage, etc. Net proceeds payable to the City will be calculated based on the final sales price less J.J. Kane's commission and any other authorized fees such as transportation, storage, title processing, or other applicable services requested by the City.

Staff request City Council authorization to: (1) dispose of the surplus vehicles and equipment listed above and (2) negotiate and execute an agreement with J.J. Kane for auction services, leveraging the results of the Sourcewell competitive process.

POLICY ALTERNATIVE(S):

Alternative 1: Do not authorize staff to dispose of the surplus of vehicles and equipment or to negotiate and execute an agreement with J.J. Kane.

Pros: None

Cons: The inability to sell surplus items will cause storage issues as the City has already procured replacements for many of these assets. Additionally, the City will forego any revenue from their sale.

Reason for Not Recommending: Periodic replacement of aging assets is standard business practice. Assets that are beyond their useful life typically operate less reliably and cost more to maintain. Rather than incurring additional costs and potentially impacting service operations, the City can sell these items and recoup some of

its investment to fund the purchase of future and/or replacement assets. The most resource-efficient means of selling these assets is through a vendor, such as J.J. Kane, who has the expertise, infrastructure, and processes in place to facilitate this.

PROJECT SCHEDULE/KEY MILESTONES

Following approval of this recommendation, staff will negotiate and execute an agreement with J.J. Kane by September 30, 2026.

FISCAL IMPACT:

Staff estimates gross auction proceeds of approximately \$105,000 from the sale of these assets, resulting in an estimated commission of approximately \$5,300 at the 5% Sourcewell rate and estimated net proceeds of approximately \$100,000. Final sales proceeds will vary based on the number of auction participants, item condition, mileage, and similar factors. J.J. Kane's commission and any authorized transportation, storage, and title processing fees are deducted from gross sales proceeds, so this action requires no appropriation. Net proceeds will be deposited in the Equipment Replacement Fund (Fund 500) and will be available for future vehicle and equipment purchases, subject to appropriation by the City Council through the annual budget adoption process.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Consider Fee Waiver Request from Knights of Columbus St. John Council and St. Elizabeth Catholic Church (Staff Contact: Renée Lorentzen, Recreation and Community Services Director, 408-586-3409)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	9/1/2026
Recommendation:	Approve a fee waiver request of \$342 for the annual Knights of Columbus St. John Council Family Picnic Event on August 15, 2026, and a fee waiver of \$1,115 for the St. Elizabeth Catholic Church Annual Festival on September 26, 2026.

BACKGROUND:

On July 9, staff received a Donation and Fee Waiver/Reduction Policy request from the Knights of Columbus St. Johns Council. The request is for a \$342 fee waiver for their annual Family Picnic on August 15, 2026, at Peter Gill Memorial Park in Milpitas.

On August 17, 2026, staff received a Donation and Fee Waiver/Reduction Policy request from St. Elizabeth Catholic Church. The request is for a \$1,115 fee waiver for their Annual Festival on September 26, 2026, at St. Elizabeth Catholic Church Parking Lot.

ANALYSIS:

Fee Waiver/Reduction Policy applications were received by the Recreation and Community Services Department from the Knights of Columbus St. Johns Council and St. Elizabeth Catholic Church.

Fee Waiver Requests

The Knights of Columbus St. Johns Council submitted the required application and documentation for their annual Family Picnic event:

- City Council Donation and Fee Waiver/Reduction Policy request
- Non-profit status letter

St. Elizabeth Catholic Church submitted the required application and documentation for their annual Festival event:

- City Council Donation and Fee Waiver/Reduction Policy request
- Non-profit status letter

Milpitas City Council adopted an updated "City Council Donation and Fee Waiver/Reduction Policy" on [June 21, 2022](#). Under the policy, an eligible organization may request a waiver of City fees of up to \$1,500 or a donation of up to \$500. The policy defines an eligible organization as a non-profit organization as described by the Internal Revenue Code, such as a 501(c)(3), or an intergovernmental agency that is non-discriminatory and non-political in nature. Events must provide a community benefit within the City of Milpitas, and applicants must provide proof of non-profit status from the federal Internal Revenue Service or the State Franchise Tax Board. Council approval is required for each request.

As required, the Knights of Columbus St. Johns Council and St. Elizabeth Catholic Church provided a copy of their Entity Status letters from the State Franchise Tax Board and Internal Revenue Service showing they are tax-exempt organizations, respectively. Both applicants meet the requirements as outlined in the Council adopted Donation and Fee Waiver/Reduction Policy.

POLICY ALTERNATIVE(S):

Alternative 1: Do not approve any one or combination of received fee waivers and donation applications as requested.

Pros: The City's General Fund will not incur the costs of the fees waived.

Cons: Denial of the request(s) may not allow the non-profit organization(s) to hold their event(s), and/or affect funding for other key organization initiatives.

Reason for Not Recommending: This request is consistent with the Council approved Policy.

PROJECT SCHEDULE/KEY MILESTONES:

Milestone	Date
Applications received	July 9, 2026 and August 17, 2026
City Council consideration	September 1, 2026
Knights of Columbus Family Picnic	August 15, 2026
St. Elizabeth Catholic Church Annual Festival	September 26, 2026
Post-event reports due to Director of Recreation and Community Services	Within 60 days of each event

FISCAL IMPACT:

\$25,000 was approved and included in the FY 2026-27 City budget for City Council's Unallocated Community Promotions with a current balance of \$25,000. If this request is approved by the City Council, then \$23,543 would remain in that line item of the current year's budget.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

- (a) Knights of Columbus St. Johns Council 5796 Application
- (b) Knights of Columbus St. Johns Council 5796 Entity Status letter
- (c) St. Elizabeth Catholic Church Application
- (d) St. Elizabeth Catholic Church Entity Status letter

City of Milpitas City Council Non-Profit Donation/Fee Waiver Requ... #57

Name of Organization Knights Of Columbus Council # 5796

Is there a Milpitas Branch or Affiliation? ☒ Yes

Organization Address (as listed on your 501 (c) 3) [REDACTED]
United States

Organization Web Site <https://KofC.org>

Organization Contact Name Edwin Madarang

Organization Contact Phone [REDACTED]

Organization Contact Email [REDACTED]

Request Type ☒ Fee Waiver (up to \$1,500)

Requested Amount (request types cannot be combined or exceed maximum listed amounts) \$342.00

Description of Use of Funds/Fees to be Waived Park Rental fee- picnic area

Event Name Knights of Columbus family picnic

Event Date(s) Aug 15, 2026

Event Location (Facility Name and Address) Peter Gill Memorial Park

Is your Event Open to the Public Yes

What is you anticipated Event attendance? 200

What is the purpose of the Event?
yearly celebrations and thanksgiving:
honoring celebrities, games, meeting, graces to partake, and more.

Is your event a Fundraiser No

What percentage of your event fundraising proceeds will benefit the Milpitas Community? None, this is not a fundraiser

How will the Milpitas Community Benefit from this Event?
Everyone is invited to join and enjoy.

How will the City's contribution (if approved) be recognized in event media and publicity?
whereas the City of Milpitas is widely recognized for its outstanding support of Non Profit Organizations (NPOs) and the community as a whole.

Upload your
Entity Status
Letter (Entity
Name listed
on this
application
must match
the Entity
Status Letter
Name)

Knights Of Columbus Council # 5796.pdf

Within 60
days after
completion of
the event for
which a
donation was
received or a
fee waiver
was granted
by the City of
Milpitas, your
organization
will provide a
report to the
Director of
Recreation
and
Community
Services to
include at
minimum:
number of
participants,
copies of all
publicity of
the event,
any benefit
to the
community,
amount of
funds raised
and an
accounting of
how the
proceeds of
the event will
be dispersed.
Failure to
abide by the
rules and
procedures
set forth in
the City
Council
Donation/Fee
Waiver Policy
will result in
the
organization
being denied
for funding
and/or fee
waiver in the
future. Draw
your
signature
into the box
below.

Voltaire S Montemayor- Past Grand Knight- Applicant

Entry Info	
Date Created	9 Jul 2026 - 05:39:47 PM
Date Updated	
IP Address	73.71.244.211



Entity Status Letter

Date: 8/3/2026



Why You Received This Letter

According to our records, the following entity information is true and accurate as of the date of this letter.

Entity ID: 9773945

Entity Name: 5796 ST JOHN'S COUNCIL KNIGHTS OF COLUMBUS

- ☒ 1. The entity is in good standing with the Franchise Tax Board.
- ☐ 2. The entity is **not** in good standing with the Franchise Tax Board.
- ☒ 3. The entity is currently exempt from tax under Revenue and Taxation Code (R&TC) Section 23701 I.
- ☐ 4. We do not have current information about the entity.
- ☐ 5. The entity was administratively dissolved/cancelled on _____ through the Franchise Tax Board Administrative Dissolution process.

Important Information

- This information does not necessarily reflect the entity's current legal or administrative status with any other agency of the state of California or other governmental agency or body.
- If the entity's powers, rights, and privileges were suspended or forfeited at any time in the past, or if the entity did business in California at a time when it was not qualified or not registered to do business in California, this information does not reflect the status or voidability of contracts made by the entity in California during the period the entity was suspended or forfeited (R&TC Sections 23304.1, 23304.5, 23305a, 23305.1).
- The entity certificate of revivor may have a time limitation or may limit the functions the revived entity can perform, or both (R&TC Section 23305b).

Connect With Us

Web: **ftb.ca.gov**
Phone: 800-852-5711 from 7 a.m. to 5 p.m. weekdays, except state holidays
916-845-6500 from outside the United States

California

Relay Service: 711 or 800-735-2929 (For persons with hearing or speech impairments)

City of Milpitas City Council Non-Profit Donation/Fee Waiver Requ... #61

Name of Organization	ST. ELIZABETH CATHOLIC CHURCH
Is there a Milpitas Branch or Affiliation?	☒ Yes
Organization Address (as listed on your 501 (c) 3)	 United States
Organization Web Site	https://stelizabethmilpitas.org
Organization Contact Name	Jinky Peralta
Organization Contact Phone	
Organization Contact Email	
Request Type	☒ Fee Waiver (up to \$1,500)
Requested Amount (request types cannot be combined or exceed maximum listed amounts)	\$1,500.00
Description of Use of Funds/Fees to be Waived	Permit fee waiver
Event Name	St. Elizabeth Catholic Church Annual Festival
Event Date(s)	Sep 26, 2026
Event Location (Facility Name and Address)	St. Elizabeth Catholic Church 750 Sequoia Drive, Milpitas, CA 95035
Is your Event Open to the Public	Yes
What is you anticipated Event attendance?	One Thousand or more
What is the purpose of the Event?	The event is free and open to all Milpitas residents. Providing family-friendly entertainment, promoting local culture to brings diverse neighbors together.
Is your event a Fundraiser	No
What percentage of your event fundraising proceeds will benefit the Milpitas Community?	None, this is not a fundraiser
How will the Milpitas Community Benefit from this Event?	This event directly benefits the Milpitas Community by providing accessible resources and fellowship to the public. In addition to offering free admission and family entertainment, the festival will feature games, cultural dances and music. This helps support local families and residents in a welcoming environment.
How will the City's contribution (if approved) be recognized in event media and publicity?	If approved, the City of Milpitas will be formally recognized verbally acknowledgment during the festivals opening and closing announcements.
Upload your Entity Status Letter (Entity Name listed on this application must match the Entity Status Letter Name)	Dear Mayor and Members of the City Council.pdf

Within 60 days after completion of the event for which a donation was received or a fee waiver was granted by the City of Milpitas, your organization will provide a report to the Director of Recreation and Community Services to include at minimum: number of participants, copies of all publicity of the event, any benefit to the community, amount of funds raised and an accounting of how the proceeds of the event will be dispersed. Failure to abide by the rules and procedures set forth in the City Council Donation/Fee Waiver Policy will result in the organization being denied for funding and/or fee waiver in the future. Draw your signature into the box below.

Jinky Peralta

Entry Info

Date Created	17 Aug 2026 - 11:47:24 PM
Date Updated	
IP Address	24.23.172.56

89243808

ROMAN CATHOLIC BISHOP OF THE SAN
JOSE A CORPORATION SOLE
~~7600 Y ST JOSEPH AVE~~
LOS ALTOS CA 94022

Date of This Notice

If you inquire about
your account, please
refer to this
number or attach a
copy of this notice

05-05-81
Employer Identification Number

575 B 045555555W
55555555

NOTICE OF NEW EMPLOYER IDENTIFICATION NUMBER ASSIGNED

Thank you for your application for an employer identification number. The number above has been assigned to you. We will use it to identify your business tax returns and any other related documents, even if you have no employees.

Please keep this number in your permanent records. Use the number and your name, exactly as shown above, on all Federal tax forms that require this information, and refer to the number in all tax payments and in tax-related correspondence or documents. You may wish to make a record of the number for reference in case this notice is lost or destroyed.

Note that the assignment of this number does not grant tax-exempt status to nonprofit organizations. For details on how to apply for this exemption, see IRS Publication 557, How to Apply for and Retain Exempt Status for Your Organization, available at any IRS office.

We appreciate your cooperation.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Approve Milpitas Arts and Culture Grant Requests for a Cultural Menorah Lighting Event and Uganda Culture and Sustainability Event (Staff Contact: Renée Lorentzen, Recreation and Community Services Director, 408-586-3409)
Category:	Consent Calendar-Community Services and Sustainable Infrastructure
Meeting Date:	9/1/2026
Recommendation:	Approve Milpitas Arts and Culture in-kind grant requests from Dina and Marvin Serber for a Cultural Menorah Lighting Event on December 12, 2026; and from CompassPoint Mentorship for a Uganda Culture and Sustainability Event on September 13, 2026, as unanimously recommended for approval by the Arts Commission on May 18, 2026.

BACKGROUND:

The Milpitas Arts and Culture Grant (MACG), formerly the Cultural Arts Support Program, started in 2001 as a way for the City of Milpitas to support enriching and free or low-cost cultural arts programming for the community. The program provides in-kind grants in the form of free use of City of Milpitas indoor or outdoor space to cultural arts groups (e.g., nonprofit organizations, schools, clubs) and individuals wanting to offer programming or an event for the general public. Grant requests are limited to programs or event date(s) of no more than two (2) consecutive days and can include rehearsal time for a performing arts event. Grantees are also provided basic marketing support from the Recreation and Community Services Department in compliment to their respective outreach plans. The cumulative total of grant program or event hours, including set up and break down, is limited to 40 hours per organization/individual per year, or an in-kind grant value of \$10,000; whichever comes first.

The Arts Commission reviews and recommends MACG applications to City Council for final approval. The Arts Commission has received and reviewed two (2) requests for the Milpitas Arts and Culture Grant for the 2026-27 season.

ANALYSIS:

On May 18, 2026, the Arts Commission reviewed and unanimously recommended approval of two MACG In-Kind Grant Applications: one from Dina and Marvin Serber, requesting to use the Milpitas Community Center Auditorium, for their third Menorah Lighting Cultural event on December 12, 2026, from 6:30 – 9:00 p.m., and one from CompassPoint Mentorship, requesting to use Cardoza Park for a Uganda Culture and Sustainability Event on September 13, 2026, from 10:00 a.m. – 2:00 p.m.

Dina and Marvin Serber – Cultural Menorah Lighting Event

Milpitas residents Marvin and Dina Serber submitted a MACG application for review and approval for a Milpitas Menorah Lighting Event on December 12, 2026, at the Milpitas Community Center auditorium. This would be the family's third year producing this cultural gathering around the lighting of the Menorah in the Civic Center Plaza. The event has previously been held at the City Hall Menorah and, most recently, indoors at the Milpitas Community Center.

If approved this will be the applicant's second Milpitas Arts and Culture In-Kind Grant. The event is planned to include the lighting of the Menorah (electric), traditional cultural games, music, and light refreshment. The applicant estimates they will attract 100+ guests at the event.

The grant application requests the following allowable in-kind services and/or resources:

- 1) City facility for event (identified as Milpitas Community Center Auditorium)
- 2) Inclusion of the event in City Marketing channels (City website MACG Landing Page, Recreation and Community Services social media pages, and e-blast to the Recreation customer list)

CompassPoint Mentorship – Uganda Culture and Sustainability Event

If approved this will be the applicant's first Milpitas Arts and Culture In-Kind Grant. The event is planned to include interactive activities, storytelling, sustainable mixed media art techniques, and encourage creativity, teamwork, cultural understanding and environmental awareness. The applicant estimates they will attract up to 200 guests at the event. The event is low-cost and requires advance reservation through the applicant's website, which is consistent with MACG eligibility.

The grant application requests the following allowable in-kind services and/or resources:

- 1) City park for event (identified as Cardoza Park Picnic Area A)
- 2) Inclusion of the event in City Marketing channels (Recreation and Community Services social media pages, and e-blast to the Recreation customer list)

All applicable liability insurance, and/or permits from the City of Milpitas or outside agencies, i.e. County of Santa Clara Public Health, for the proposed grant application program/activity are the sole responsibility of the Applicant and are not covered by this grant. The award of a MACG in-kind grant is not a guarantee that City and/or outside agency permits will be granted. Should a grant applicant not be able to secure all the required permits, their program/event would need to be either scaled back, postponed, or cancelled.

POLICY ALTERNATIVE(S):

Alternative 1: Do not approve any one or combination of received Milpitas Arts and Culture Grant applications as requested.

Pros: The City's General Fund will not incur the in-kind costs of the application.

Cons: Denial of the request may not allow the Applicant(s) to hold their event(s).

Reason for Not Recommending: Requests received are consistent with the Council-approved MACG Program.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Date
Arts Commission review and recommendation	May 18, 2026
City Council consideration	September 1, 2026
Uganda Culture and Sustainability Event	September 13, 2026
Cultural Menorah Lighting Event	December 12, 2026

FISCAL IMPACT:

The combined in-kind grant value of the two requests is \$988, consisting of \$745 for the Cultural Menorah Lighting Event and \$243 for the Uganda Culture and Sustainability Event. These values represent the facility and park rental rates and applicable staff support hours that would otherwise be charged and are recognized as forgone General Fund revenue. No appropriation is required

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b).

ATTACHMENT(S):

- (a) Dina and Marvin Serber Grant Application
- (b) CompassPoint Mentorship Grant Application

Milpitas Arts & Culture Grant Application 26-27 Season #3

Applicant Information

Please tell us about the organization, business, group or individual seeking to host an event.

Applicant Name	Milpitas Menorah Lighting
Applicant Type	- Individual
Contact Person Name/Title	Dina and Marvin Serber
Applicant's Email	[REDACTED]
Applicant's Phone	[REDACTED]
Contact Person's Email, if different from Applicant's	[REDACTED]
Applicant's Address	[REDACTED] United States
Applicant's Website	https://www.facebook.com/milpitas.menorah.lighting

Applicant's Mission or Business/Group/Artist Description

The Milpitas Menorah Lighting aims to share a culture with the community that they have not yet learned about. Guests will learn all about the Menorah, how to light the menorah, and traditional games and foods associated with the Menorah Lighting.

Additional Required Information Dina's Delish Cooking

Nonprofit organization's EIN; or business's licensing entity and license number; or group's location, number of members and, if applicable, parent organization; or individual's primary profession.

Event Information

Please tell us about your event.

Event Title	City Of Milpitas Menorah Lighting
What type of event(s) are you planning?	- Cultural Event
What type of space do you need?	- Auditorium - Menorah, which is located at the back of City Hall next to the Christmas Tree
First choice date, or start date if requesting range	Dec 05, 2026
Second choice date, or end date if requesting range	Dec 12, 2026
Third choice date	Dec 08, 2026
Start Time	06:30 PM
End Time	09:00 PM

Description of Proposed Event

The City of Milpitas Menorah Lighting is a three hour event. It begins with a welcome table where people can learn about Menorah Lighting. There are light refreshments served including traditional Hanukkah foods. I host the event. Local Politicians speak. This year we had Milpitas City Council Member Evelyn Chua, the City of Milpitas Chief of Police representative, a member of State Senator Dr. Aisha Wahab's office, and a member of County Supervisor Otto Lee's office as speakers. Local dignitaries then help light the Hanukkah Menorah. Afterwards there are crafts for kids. The highlight is the City of Milpitas dreidel competition for all ages. There is also a free raffle with prizes donated by local businesses. It is a fun filled community event.

What is your total event budget? \$700

If you have event partners or sponsors secured, please list their names.

Last year the event was sponsored by the local businesses and people listed below. we hope to get even more sponsors:

Dina's Delish Cooking
Milpitas Safeway
Nothing Bundt Cakes
Milpitas Golfland
BayFC
Fremont Chabad
The Nadler-Serber Family
The Lobendze Family

How many active participants do you expect total? Do not count audience members. 10

Participant details

The participants are all volunteers who will help run the food, craft, and welcome tables

Is your event open to the public? Yes

How many general public audience members do you expect to attend? Do not count people related to your artists, performers, or group members. 100

Are reservations or tickets required? No, day-of walk-in is okay

Is your event free or low-cost? Free

Ticket Prices

Please list ticket type, price, comparable price for similar events.

The event is completely free to everyone in the community. The goal of the event is to show another culture to the community, and i feel strongly that the event should be completely free to allow as many people to attend as possible. The food, games, and raffles are all free to the public and completely funded by sponsors.

How will people sign up or buy tickets? There will be a free sign up option, and people can just walk in on the day of the event.

Describe your event marketing plan detailing applications, websites, publications, and frequency of advertisements.

I plan on making an event flyer and posting it in the local libraries and businesses. There will also be a Facebook page and an Instagram page with event details that will be posted in all local community groups.

What is your experience in hosting similar arts and/or cultural events? List any prior events you have hosted, including location and attendance.

I have hosted the Milpitas Menorah Lighting for the past 2 years. Every year the event gets bigger and better.

The Menorah Lighting began outside at the Menorah by City hall with 50 people attending.

Last year we had an indoor space in the community center, and had around 70 people. It was better, however we did not have enough seating for all the participants, and we had to dismantle the craft tables to make room for the dreidel competition.

This year we would like to use the community center auditorium so that we have more space for the crafts, and speakers. And so that there is room for the dreidel competition.

Community Benefit

Please tell us how the community will benefit from your event.

How will your event benefit Milpitas residents? Check all that apply.

- Opportunity for Milpitas audiences to be exposed to unfamiliar art form, culture, artist
- Opportunity for attending public to actively participate in the art or cultural activity
- Opportunity to foster cross-cultural understanding

How will your event advance art and culture in Milpitas?

This is a unique opportunity for Milpitas to learn about another culture. There are no other Menorah Lightings in Milpitas at all.

Milpitas Arts & Culture Grant Application 26-27 Season #1

Applicant Information

Please tell us about the organization, business, group or individual seeking to host an event.

Applicant Name	Compass Point Mentorship
Applicant Type	- Nonprofit organization
Contact Person Name/Title	Catherine Liu
Applicant's Email	[REDACTED]
Applicant's Phone	[REDACTED]
Applicant's Address	[REDACTED] United States
Applicant's Website	https://www.cpmentorship.org/

Applicant's Mission or Business/Group/Artist Description

CompassPoint Mentorship is a 501c3 non-profit organization established in March 2013 with a strong commitment to the community. Over the years, we have successfully executed a range of programs, including summer camps in Alviso and at Santa Clara University, which provide engaging and educational activities for youths. In addition, we are passionate about public art initiatives, having installed stunning murals in various parks throughout Santa Clara County. Our organization is also dedicated to exploring international relationships through our history project and promoting environmental protection through various initiatives. We take great pride in the positive impact we have had on the community, and we remain committed to our mission of promoting personal growth, education, and social responsibility.

Additional Required Information

Nonprofit organization's EIN; or business's licensing entity and license number; or group's location, number of members and, if applicable, parent organization; or individual's primary profession.

[REDACTED]

Event Information

Please tell us about your event.

Event Title	Uganda Culture and Sustainability Event
What type of event(s) are you planning?	- Public Workshop/Lecture - Public Art Exhibit
What type of space do you need?	- Picnic Area - Park Open Space
First choice date, or start date if requesting range	Sep 06, 2026
Second choice date, or end date if requesting range	Sep 13, 2026
Third choice date	Sep 13, 2026
Start Time	10:00 AM
End Time	12:00 PM

Description of Proposed Event

Participants will experience an interactive cultural introduction to Ugandan sustainability methods. There will be many activities in the workshop:

1. Participants will begin by rotating through culture stations and observing the ways that people in Uganda deal with food, water, energy, and waste. For the food station, we may provide Ugandan snacks. The other stations will include models relating to its theme (e.g. figures of hydroelectric dams for the energy station.)

2. After learning from these stations, the participants will create collaborative art pieces in small groups centered around sustainability. They will be encouraged to use not only their own experience with sustainability, but also knowledge gained from learning about Ugandan communities. Recycled materials (paper scraps, cardboard, etc.) will be incorporated into the pieces in order to emphasize the importance of conserving resources and recycling.

3. The finished art pieces will be displayed alongside the final, finished Uganda-U.S. collaborative mural as well as art from students in Uganda. Finally, participants will write their "wish for Earth" on a message tag, which will also be displayed in the exhibition.

What is your total event budget? self funded, approx. \$100

Is your event open to the public? Yes

Are reservations or tickets required? Advance reservation/ticket required

Is your event free or low-cost? Low-cost

How will people sign up or buy tickets? Through the CompassPoint Mentorship website

Describe your event marketing plan detailing applications, websites, publications, and frequency of advertisements.

We will publish our event on our website, and our members will spread it around, especially our art committee.

What is your experience in hosting similar arts and/or cultural events? List any prior events you have hosted, including location and attendance.

We have hosted a concert in Baylands Park, Sunnyvale. This concert also included a sustainability art exhibition. Local bands energized the main stage and families joined in games and clean energy activities and two science-to-art were shown.

Upload videos, images or PDFs representing your cultural art event and/or similar events you have produced in the past.

image type unknown



[bayland concert.jpg](#)

Community Benefit

Please tell us how the community will benefit from your event.

How will your event benefit Milpitas residents? Check all that apply.

- Opportunity for Milpitas audiences to be exposed to unfamiliar art form, culture, artist
- Opportunity for attending public to actively participate in the art or cultural activity
- Opportunity to foster cross-cultural understanding

How will your event advance art and culture in Milpitas?

This event will advance art and culture in Milpitas as it will introduce the participants to Ugandan culture and sustainability methods. The purpose of this workshop is for the participants to have an opportunity to think creatively by being introduced to mixed media and sustainable art techniques in a fun and stress free environment. Through the storytelling of global communities, the children will have an opportunity to gain insight into how young people around the world can promote friendship and cooperation globally. The activity will also give the children an opportunity to think creatively about global sustainability and the need for taking care of the Earth by promoting the use of recycled materials. Through this activity, the children will have an opportunity to develop teamwork skills by working together to bring their ideas to life and preparing them for future artistic projects. This healthy challenge will also promote the children's mental and social development by allowing them to think creatively and work meaningfully with others.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize Travel Request by Vice Mayor Barbadillo to Attend the League of California Cities 2026 Annual Conference and Expo in Anaheim, CA (Staff Contact: Julie Minot, Senior City Manager Analyst, 408-586-3054)
Category:	Consent Calendar-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Authorize travel by Vice Mayor Barbadillo to attend the League of California Cities 2026 Annual Conference and Expo in Anaheim, CA from September 23-25, 2026, for an estimated total amount of \$2,800, budgeted under the FY2026-27 Individual Elected Official allocation for Conferences/Meetings/Trainings.

BACKGROUND:

The League of California Cities 2026 Annual Conference and Expo will be held September 23 through September 25, 2026, at the Anaheim Convention Center in Anaheim, California. The conference will feature keynote speakers, educational presentations, and peer-to-peer learning opportunities for California city officials. Attendees will also have opportunities to connect with organizations that provide services to cities and participate in the General Assembly and Resolutions process. The City of Milpitas Travel and Expense Policy requires that the City Council approve travel for elected officials and the City Manager.

ANALYSIS:

Council approval of this travel request will provide Vice Mayor Barbadillo with an opportunity to gain additional knowledge from other California policymakers and share that information with the City Council. Continued conference attendance also ensures the Milpitas community is fully represented at the regional, state, and national levels. Participation in the General Assembly and Resolutions process also allows Milpitas to be represented in Cal Cities' statewide policy positions.

POLICY ALTERNATIVE(S):

Not Applicable

FISCAL IMPACT:

The estimated expense for the Anaheim, CA League of California Cities' 2026 Annual Conference and Expo, including conference registration, lodging, meals, mileage, and incidental reimbursements, is \$2,800 (actual costs may vary).

Sufficient funds are available in the FY2026-27 General Fund City Council budget. Vice Mayor Barbadillo's Individual Elected Official allocation for Conferences/Meetings is \$10,000 for FY2026-27, of which \$0 has been expended to date. If this request is approved, \$7,200 will remain available for the balance of the fiscal year.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b)

ATTACHMENT(S):

None.



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Adopt a Resolution Amending the Schedule of User and Regulatory Fees Adopted by Resolution No. 9516 to Update 161 Fees and Establish Six New Fees, Effective November 2, 2026 (Staff Contact: Luz Cofresí-Howe, Finance Director, 408-586-3111)
Category:	Public Hearings-Leadership and Support Services
Meeting Date:	9/1/2026
Recommendation:	Adopt a resolution amending the Schedule of User and Regulatory Fees adopted by Resolution No. 9516 to update 161 fees and establish six new fees, effective November 2, 2026.

BACKGROUND:

The City of Milpitas charges user and regulatory fees to recover the cost of services that benefit identifiable individuals or entities rather than the community as a whole. The City retained ClearSource Financial Consulting to prepare a comprehensive cost of service study of the City's user and regulatory fees. The study examined 668 fees across all City departments and calculated the full cost of providing each service, including direct labor, departmental overhead, and Citywide administrative support.

On [April 21, 2026](#), the City Council conducted a duly noticed public hearing on the full proposed schedule of 668 fees examined in the ClearSource study and directed staff to bifurcate the schedule into two tracks.

On [June 2, 2026](#), the City Council adopted Resolution No. 9516 by consent calendar action, approving 500 of the 668 fees effective August 3, 2026 and establishing an annual inflationary adjustment framework subject to City Council confirmation each fiscal year.

The remaining 168 fees were not included in Resolution No. 9516: 88 proposed to increase by more than 10%, 73 by more than \$10 while within 10%, and 7 proposed new fees. The FY2025-26 rates remain in effect for the 161 existing fees, and the 7 new fees were not established. This report provides the analysis the City Council requested and returns 167 of those fees for action. One of the seven proposed new fees, the Contractor Sexual Abuse and Molestation (SAM) Insurance Fee, is no longer needed and is not recommended, as described under New Fees below.

Notice of this hearing was published twice under Government Code §§ 66016 and 6062a, and the Schedule of User and Regulatory Fees was available for public review at least 10 days before the hearing. Under Government Code §66017(a) the fees become operative 60 days after adoption. As the 60th day is Saturday, October 31, 2026, the fees are proposed to become operative the next business day, Monday, November 2, 2026.

ANALYSIS:

The following table summarizes the 167 fees now recommended for City Council action.

Fee Group	Count	% of 668 Total
Fees Proposed to Increase by More Than 10%	88	13.2%
Fees Proposed to Increase by More Than \$10 (Within 10%)	73	10.9%
New Fees, Not Yet Established	6	0.9%
Total, Recommended for Action	167	25.0%

These fees are distributed across nine fee schedule sections: Building Safety 70, Planning 30, Engineering 12, Utilities 5, Fire 31, Police 4, Recreation 11, Finance and Administrative 3, and City Clerk 1.

Fees Proposed to Increase by More Than 10%

Eighty-eight fees are proposed to increase by more than 10% above the rate currently in effect. In each case the proposed fee is set at or below the estimated reasonable cost of providing the service. The size of these increases reflects three conditions rather than a change in the level of service.

First, a number of these fees are small in absolute terms, so a modest dollar adjustment produces a large percentage change. Second, some of the 88 fees are recommended at less than full cost recovery, which means the proposed amounts remain below the City's cost of providing the service even after the increase.

The largest percentage increases are in Planning: Conditional Use Permit, Single Family Districts, from \$742 to \$5,102; Minor Sign Permit, Zoning Administrator, from \$634 to \$3,786; and Variance, Single Family Districts, from \$1,128 to \$4,908. The Conditional Use Permit fees are set at 50% cost recovery.

The largest dollar increases are in Building Safety Construction for S-2 Storage Low Hazard, New Construction, from \$5,812 at 1,000 square feet to \$51,289 at 100,000 square feet. These result from consolidating S-2 fees with S-1 Storage Moderate Hazard fees, which require substantially equivalent plan review and inspection effort, rather than from a change in the hourly cost of service.

The appeal fee to the Planning Commission or City Council increases from \$2,196 to \$5,156, set at 75% cost recovery. The City Council may set a lower recovery level for this fee without affecting the balance of the schedule.

Fees Proposed to Increase by More Than \$10 (Within 10%)

Seventy-three fees are proposed to increase by 10% or less but by more than \$10. These are routine adjustments that track the increase in the City's fully burdened hourly rates since the fees were last set. No fee in this group is proposed above the estimated reasonable cost of providing the service.

New Fees

Six new fees are proposed. Each recovers the cost of a service the City currently provides without charge or a service being offered for the first time.

Description	Count	Proposed Fee
Rental of Podium for Community Center Rentals	1	\$25 per day
Rental of Podium with City Delivery	1	\$50 per day
Rental of Deckside Party Area	1	\$35 – \$67 per rental
Bounce House Permit	1	\$60 Priority III and IV; \$100 Priority V
After School Program Drop-In	1	\$15 – \$40 per day
Credit Card Chargeback Fee	1	\$30 per chargeback
Total	6	

The Contractor Sexual Abuse and Molestation (SAM) Insurance Fee proposed on April 21, 2026 is not carried forward. The City would not be providing a service to the provider in exchange for the charge, so a fee is not needed, and the number of proposed new fees is reduced from seven to six.

Annual Inflationary Adjustment

Upon adoption, the 161 fees and the 6 new fees become subject to the annual inflationary adjustment framework established by Resolution No. 9516, for those fees designated “Y” in the Yearly Inflator column of the fee schedule.

Exhibit A to the resolution sets forth only the 161 fee adjustments and 6 new fees recommended in this report. The resolution amends the Schedule of User and Regulatory Fees adopted by Resolution No. 9516 to modify those 161 fees and add the 6 new fees. It does not otherwise amend Resolution No. 9516, and all fees not set forth in Exhibit A remain in effect as adopted. Attachment (b) illustrates the fees before the City Council on September 1, 2026, by department, showing each fee's current rate, cost of service, proposed rate, cost

recovery percentage, and the dollar and percentage change from the current rate; the Contractor SAM Insurance Fee shown under Recreation appears because of the timing of the attachment's production, is not included in this request, and no action is being sought on it. Attachment (c) presents the complete FY2026-27 fee schedule, incorporating the fees adopted by Resolution No. 9516 together with the fees recommended in this report, and is provided for reference.

POLICY ALTERNATIVE(S):

Alternative 1: Adopt a portion of the fee adjustments.

Pros: Allows the City Council to approve adjustments it finds supported while continuing to consider others.

Cons: Leaves a portion of the City's cost of service unrecovered, requires a further return to the City Council, and prolongs the period during which two rate bases are in effect.

Reason for Not Recommending: All 167 fees are supported by the ClearSource cost of service study and none exceeds the City's reasonable cost of providing the related service.

Alternative 2: Take no action.

Pros: No change to amounts currently charged for the affected services.

Cons: Forgoes approximately \$85,000 in annual cost recovery, continues subsidy of these services by the General Fund and applicable enterprise funds, and leaves the six new fees unestablished so those service costs remain fully subsidized.

Reason for Not Recommending: The FY2025-26 rates do not reflect current estimated cost of service, shifting the cost of individually requested services to the general taxpayer and to utility ratepayers.

PROJECT SCHEDULE/KEY MILESTONES

Milestone	Date
First Publication of Public Hearing Notice (Gov. Code §§ 66016, 6062a)	August 21, 2026
Second Publication of Public Hearing Notice (Gov. Code § 6062a)	August 28, 2026
Schedule of User and Regulatory Fees Available for Public Review (Gov. Code §66016)	August 21, 2026
City Council Public Hearing and Action on 167 Remaining Fees	September 1, 2026
Fee Schedule Effective Date (Gov. Code § 66017, 60-Day Period)	November 2, 2026

FISCAL IMPACT:

The 167 fees are forecast to generate approximately \$85,000 in additional annual revenue, the remainder of the approximately \$304,000 forecast across all 668 fees studied, of which approximately \$219,000 was attributable to Resolution No. 9516. As the fees become operative November 2, 2026, the estimated FY2026-27 impact is approximately \$50,000. The FY2026-27 Adopted Operating Budget does not reflect the revenue forecast in this report. Revenue estimates will be updated as part of the FY2026-27 mid-year budget review.

Upon adoption, 667 of the 668 fees examined in the study will be in effect at their study-recommended amounts and subject to the annual inflationary adjustment framework where so designated. The Contractor Sexual Abuse and Molestation (SAM) Insurance Fee examined in the study is not recommended and is not established.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

This item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b). This finding is set forth in the attached resolution.

ATTACHMENT(S):

- (a) Resolution Amending the Schedule of User and Regulatory Fees Adopted by Resolution No. 9516 to Update 161 Fees and Establish Six New Fees, with Exhibit A
- (b) Illustration of Proposed Fee Changes: Fees Deferred from Resolution No. 9516 and New Fees
- (c) Citywide FY2026-27 Fee Schedule - Effective November 2, 2026

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILPITAS
AMENDING THE SCHEDULE OF USER AND REGULATORY FEES ADOPTED
BY RESOLUTION NO. 9516 TO UPDATE 161 FEES AND ESTABLISH SIX NEW
FEES, EFFECTIVE NOVEMBER 2, 2026**

WHEREAS, the City of Milpitas provides a range of user and regulatory services for which it charges fees to recover all or a portion of the City costs incurred in providing those services to individual persons or entities; and

WHEREAS, Article XIII C, Section 1(e) of the California Constitution and Government Code Sections 66014 through 66018 authorize the City to impose fees for such services in amounts not exceeding the estimated reasonable cost of providing the services for which the fees are charged; and

WHEREAS, the City retained ClearSource Financial Consulting to conduct a comprehensive user and regulatory fee study, which examined 668 fees across all City departments and the findings of which form the basis for the fees presented to the City Council for consideration; and

WHEREAS, the City Council conducted a duly noticed public hearing on April 21, 2026, at which all interested persons were given an opportunity to be heard on the full proposed fee schedule, including all 668 fees examined in the ClearSource study, and at which the City Council directed staff to present for consent calendar action a resolution adopting 500 of the 668 proposed fees and to return with additional analysis on the 161 fees proposed to increase by more than ten percent or ten dollars and the seven proposed new fees; and

WHEREAS, on June 2, 2026, the City Council adopted Resolution No. 9516, approving 500 of the 668 fees effective August 3, 2026 and establishing a framework for annual inflationary adjustment subject to City Council confirmation each fiscal year; and

WHEREAS, Resolution No. 9516 did not modify the 161 fees proposed to increase by more than ten percent or ten dollars, for which the previously adopted FY2025-26 rates have remained in effect as the operative fees, and did not establish the seven proposed new fees, the costs of which have continued to be absorbed by the General Fund or applicable enterprise funds; and

WHEREAS, this Resolution provides for City Council action on 167 of those fees, consisting of 88 fees proposed to increase by more than ten percent, 73 fees proposed to increase by more than ten dollars while remaining within ten percent, and six proposed new fees; and

WHEREAS, the seventh proposed new fee, the Contractor Sexual Abuse and Molestation Insurance Fee, is not a charge for a service provided by the City and is no longer needed, and accordingly is not adopted by this Resolution; and

WHEREAS, including to the extent required by Government Code Sections 66016 and 66018, notice of the public hearing on the fees adopted herein was published in a newspaper of general circulation pursuant to Government Code Section 6062a and posted as required by law, notice was timely sent to registered interested persons consistent with Government Code Section 66019, and the supporting cost of service data was available for public review for not less than 10 days prior to the hearing; and

WHEREAS, the City Council conducted a duly noticed public hearing on September 1, 2026, at which all interested persons were given an opportunity to be heard on the fees set forth in Exhibit A; and

WHEREAS, all fees adopted by this Resolution are at or below the amounts publicly noticed; no fee is adopted herein at a rate higher than what was publicly noticed, and accordingly no supplemental noticing or additional public hearing is required under Government Code Sections 66016 or 66018; and

WHEREAS, adoption of this Resolution on September 1, 2026 means that the 60-day period required by Government Code Section 66017 will expire on October 31, 2026, a Saturday, and accordingly the fees adopted herein shall be operative beginning November 2, 2026, the first business day following expiration of that period; and

WHEREAS, the City Council finds that the fees adopted by this Resolution do not exceed the estimated reasonable cost of providing the services, activities, or materials for which the fees are charged; and

WHEREAS, the City Council finds that this item is not a project under the California Environmental Quality Act (CEQA) Guideline 15378(b) and, in the alternative, that the setting or revision of fees pursuant to this Resolution is exempt from environmental review under Public Resources Code Section 21080(b)(8), which provides an exemption for the establishment or modification of charges by public agencies which the public agency finds are for the purpose of meeting operating expenses; and

WHEREAS, all prerequisites for the adoption of these fee changes have been met.

NOW, THEREFORE BE IT RESOLVED, the City Council of the City of Milpitas hereby finds, determines, and resolves as follows:

1. The City Council has considered the full record before it, which includes but is not limited to such things as the staff report, testimony by staff and the public, and other materials and evidence submitted or provided to it. Furthermore, the recitals set forth above are found to be true and correct and are incorporated herein by reference.
2. The fees set forth in Exhibit A, attached hereto and incorporated herein by this reference, are hereby adopted. The Schedule of User and Regulatory Fees adopted by Resolution No. 9516 is hereby amended to modify the 161 fees and to add the six new fees set forth in Exhibit A.
3. This Resolution amends only the Schedule of User and Regulatory Fees adopted by Resolution No. 9516. Resolution No. 9516 is not otherwise amended, and all of its provisions remain in full force and effect. All fees adopted by Resolution No. 9516 and not set forth in Exhibit A remain in full force and effect as adopted.
4. The fees adopted by this Resolution shall become operative on November 2, 2026, consistent with the 60-day period required by Government Code Section 66017 following adoption on September 1, 2026. These fees shall supersede all prior fees for the same services upon taking effect.
5. The fees adopted by this Resolution and designated in Exhibit A as subject to annual inflationary adjustment (fees marked “Y” in the Yearly Inflator column) are subject to the annual inflationary adjustment framework established by Section 4 of Resolution No. 9516. Fees marked “N” in the

Yearly Inflation column are not subject to that framework and shall remain at the amounts set forth in Exhibit A until further action of the City Council.

6. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.
7. This Resolution shall take effect immediately upon adoption, authorizing staff to undertake all necessary implementation activities. The fees adopted herein shall become operative on November 2, 2026, consistent with Section 4 of this Resolution and the 60-day period required by Government Code Section 66017.

PASSED AND ADOPTED this ____ day of _____, 2026, by the following vote:

AYES: ()

NOES: ()

ABSENT: ()

ABSTAIN: ()

ATTEST:

APPROVED:

Suzanne Guzzetta, City Clerk

Carmen Montano, Mayor

APPROVED AS TO FORM:

Christian M. Curtis, City Attorney



User and Regulatory Fees

Illustration of Proposed Fee Changes

City of Milpitas

Schedule of User and Regulatory Fees

Description	Page
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Recreation Fees	25
Finance / Administrative Fees	27
City Clerk Fees	28

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
1 Single-Family, Two-Family - New, Additions, Remodels, Additional Dwelling Units											[a],[b]	
200	\$425.71		\$729.69		\$728.00		\$729.00		\$301.60	26%		Y
300	\$618.58		\$972.92		\$1,005.00		\$972.00		\$385.49	24%		Y
400	\$1,132.92		\$1,337.77		\$1,282.00		\$1,458.00		\$269.31	11%		Y
500	\$1,390.08	\$175.15	\$1,945.85	\$194.58	\$1,559.00	\$166.20	\$1,944.00	\$194.40	\$167.07	5%		Y
1,000	\$2,265.84	\$205.73	\$2,918.77	\$194.58	\$2,390.00	\$221.60	\$2,916.00	\$194.40	\$121.39	2%		Y
1,500	\$3,294.50	\$205.73	\$3,891.69	\$291.88	\$3,498.00	\$221.60	\$3,888.00	\$291.60	\$199.80	3%		Y
2,000	\$4,323.17	\$175.15	\$5,351.08	\$389.17	\$4,606.00	\$183.60	\$5,346.00	\$388.80	\$277.75	3%		Y
2,500	\$5,198.92	\$154.30	\$7,296.93	\$389.17	\$5,524.00	\$166.20	\$7,290.00	\$388.80	\$318.15	3%		Y
3,000	\$5,970.42	\$87.58	\$9,242.78	\$170.26	\$6,355.00	\$91.80	\$9,234.00	\$170.10	\$375.80	2%		Y
4,000	\$6,846.17	\$102.87	\$10,945.39	\$243.23	\$7,273.00	\$110.80	\$10,935.00	\$243.00	\$416.43	2%		Y
5,000	\$7,874.84	\$51.43	\$13,377.70	\$121.62	\$8,381.00	\$55.40	\$13,365.00	\$121.50	\$493.46	2%		Y
Tract or Repetitive Fees	25% of Original		Same as Regular		25% of Original		Same as Regular		varies	varies		N
Commercial / Multi-Family / Non- Residential - New Construction, Tenant Improvement, and Shell											[a],[b]	
2 A-Assembly - New Construction												
1,500	\$4,792.00	\$69.88	\$12,237.56	\$87.41	\$5,334.00	\$73.60	\$12,150.00	\$89.10	\$454.44	3%		Y
7,500	\$8,985.01	\$99.83	\$17,482.22	\$139.86	\$9,750.00	\$103.20	\$17,496.00	\$139.32	\$778.77	3%		Y
15,000	\$16,472.52	\$89.85	\$27,971.56	\$149.18	\$17,490.00	\$93.97	\$27,945.00	\$149.04	\$990.93	2%		Y
30,000	\$29,950.03	\$16.64	\$50,348.80	\$62.94	\$31,585.00	\$17.39	\$50,301.00	\$63.18	\$1,587.17	2%		Y
75,000	\$37,437.54	\$21.96	\$78,670.00	\$25.64	\$39,412.00	\$22.86	\$78,732.00	\$25.60	\$2,036.46	2%		Y
150,000	\$53,910.05	\$35.94	\$97,900.45	\$65.50	\$56,554.00	\$37.40	\$97,929.00	\$65.39	\$2,672.50	2%		Y
3 A-Assembly - Tenant Improvement												
500	\$1,797.50	\$78.64	\$3,405.23	\$72.97	\$2,113.00	\$77.95	\$3,402.00	\$72.90	\$312.26	6%		Y
2,500	\$3,370.32	\$112.34	\$4,864.62	\$116.75	\$3,672.00	\$117.76	\$4,860.00	\$116.64	\$297.06	4%		Y
5,000	\$6,178.92	\$101.11	\$7,783.39	\$124.53	\$6,616.00	\$103.20	\$7,776.00	\$126.36	\$429.69	3%		Y
10,000	\$11,234.40	\$23.24	\$14,010.10	\$52.40	\$11,776.00	\$19.63	\$14,094.00	\$51.84	\$625.49	2%		Y
25,000	\$14,720.00	\$25.07	\$21,870.00	\$21.38	\$14,720.00	\$25.07	\$21,870.00	\$21.38	\$0.00	0%		Y
50,000	\$20,988.00	\$30.37	\$27,216.00	\$54.44	\$20,988.00	\$30.37	\$27,216.00	\$54.44	\$0.00	0%		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
4 B - Business - New Construction												
1,000	\$4,531.67	\$97.83	\$8,513.08	\$91.21	\$4,780.00	\$103.48	\$8,505.00	\$91.13	\$240.25	2%		Y
5,000	\$8,444.76	\$134.84	\$12,161.55	\$145.94	\$8,919.00	\$143.72	\$12,150.00	\$145.80	\$462.70	2%		Y
10,000	\$15,186.68	\$119.90	\$19,458.47	\$155.67	\$16,105.00	\$128.13	\$19,440.00	\$155.52	\$899.84	3%		Y
20,000	\$27,176.19	\$22.13	\$35,025.25	\$65.67	\$28,918.00	\$23.66	\$34,992.00	\$65.61	\$1,708.55	3%		Y
50,000	\$33,813.87	\$34.78	\$54,726.96	\$32.11	\$36,017.00	\$37.26	\$54,675.00	\$32.08	\$2,151.17	2%		Y
100,000	\$51,203.89	\$51.20	\$70,780.20	\$70.78	\$54,647.00	\$54.85	\$70,713.00	\$70.71	\$3,375.91	3%		Y
5 B - Business - Tenant Improvement												
500	\$1,736.85	\$75.99	\$3,724.47	\$79.81	\$2,113.00	\$73.60	\$3,888.00	\$72.90	\$539.68	10%		Y
2,500	\$3,256.59	\$108.55	\$5,320.68	\$127.70	\$3,585.00	\$114.28	\$5,346.00	\$126.36	\$353.73	4%		Y
5,000	\$5,970.42	\$97.70	\$8,513.08	\$136.21	\$6,442.00	\$103.20	\$8,505.00	\$136.08	\$463.49	3%		Y
10,000	\$10,855.31	\$18.09	\$15,323.55	\$57.46	\$11,602.00	\$19.63	\$15,309.00	\$58.32	\$732.14	3%		Y
25,000	\$13,569.14	\$23.88	\$23,943.04	\$23.41	\$14,546.00	\$25.07	\$24,057.00	\$23.33	\$1,090.81	3%		Y
50,000	\$19,539.57	\$39.08	\$29,795.79	\$59.59	\$20,814.00	\$41.02	\$29,889.00	\$59.38	\$1,367.65	3%		Y
6 E - Education - New Construction												
500	\$2,038.11	\$89.17	\$4,682.20	\$100.33	\$3,118.00	\$123.85	\$4,860.00	\$97.20	\$1,257.69	19%		Y
2,500	\$3,821.46	\$127.38	\$6,688.85	\$160.53	\$5,595.00	\$76.92	\$6,804.00	\$155.52	\$1,888.69	18%		Y
5,000	\$7,006.01	\$114.64	\$10,702.16	\$171.23	\$7,518.00	\$121.24	\$10,692.00	\$174.96	\$501.83	3%		Y
10,000	\$12,738.19	\$21.23	\$19,263.89	\$72.24	\$13,580.00	\$22.63	\$19,440.00	\$71.28	\$1,017.92	3%		Y
25,000	\$15,922.74	\$28.02	\$30,099.83	\$29.43	\$16,975.00	\$28.68	\$30,132.00	\$29.16	\$1,084.43	2%		Y
50,000	\$22,928.75	\$45.86	\$37,457.56	\$74.91	\$24,145.00	\$46.93	\$37,422.00	\$74.22	\$1,180.69	2%		Y
7 E - Education - Tenant Improvement												
100	\$958.40	\$209.65	\$1,702.62	\$182.42	\$1,282.00	\$277.00	\$1,701.00	\$182.25	\$321.98	12%		Y
500	\$1,797.00	\$299.50	\$2,432.31	\$291.88	\$2,390.00	\$239.00	\$2,430.00	\$291.60	\$590.69	14%		Y
1,000	\$3,294.50	\$269.55	\$3,891.69	\$311.34	\$3,585.00	\$285.70	\$3,888.00	\$340.20	\$286.80	4%		Y
2,000	\$5,990.01	\$49.92	\$7,005.05	\$131.34	\$6,442.00	\$61.20	\$7,290.00	\$121.50	\$736.94	6%		Y
5,000	\$7,487.51	\$65.89	\$10,945.39	\$53.51	\$8,278.00	\$69.96	\$10,935.00	\$53.46	\$780.10	4%		Y
10,000	\$10,782.01	\$107.82	\$13,620.93	\$136.21	\$11,776.00	\$114.48	\$13,608.00	\$136.08	\$981.06	4%		Y
8 F - Factory - New Construction												
5,000	\$6,589.01	\$22.66	\$9,729.24	\$48.65	\$6,996.00	\$23.90	\$9,720.00	\$48.60	\$397.76	2%		Y
25,000	\$11,120.68	\$51.04	\$19,458.47	\$116.75	\$11,776.00	\$53.88	\$19,440.00	\$116.64	\$636.85	2%		Y
50,000	\$23,881.69	\$16.46	\$48,646.18	\$34.05	\$25,246.00	\$18.08	\$48,600.00	\$34.02	\$1,318.12	2%		Y
100,000	\$32,111.03	\$9.50	\$65,672.35	\$8.92	\$34,284.00	\$10.27	\$65,610.00	\$8.91	\$2,110.62	2%		Y
250,000	\$46,359.47	\$5.27	\$79,050.05	\$17.03	\$49,693.00	\$5.61	\$78,975.00	\$17.01	\$3,258.48	3%		Y
500,000	\$59,530.56	\$11.90	\$121,615.46	\$24.32	\$63,717.00	\$12.67	\$121,500.00	\$24.30	\$4,070.97	2%		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
9 F - Factory - Tenant Improvement												
2,000	\$2,538.18	\$21.50	\$2,653.43	\$22.11	\$2,944.00	\$21.86	\$3,159.00	\$18.23	\$911.40	18%		Y
10,000	\$4,258.09	\$51.60	\$4,422.38	\$53.07	\$4,693.00	\$53.50	\$4,617.00	\$51.03	\$629.53	7%		Y
20,000	\$9,417.84	\$17.09	\$9,729.24	\$17.69	\$10,043.00	\$18.88	\$9,720.00	\$18.23	\$615.92	3%		Y
40,000	\$12,836.83	\$9.57	\$13,267.14	\$10.13	\$13,818.00	\$10.45	\$13,365.00	\$10.13	\$1,079.03	4%		Y
100,000	\$18,577.03	\$5.48	\$19,347.91	\$5.53	\$20,086.00	\$5.71	\$19,440.00	\$5.59	\$1,601.06	4%		Y
200,000	\$24,056.02	\$12.03	\$24,875.89	\$12.43	\$25,800.00	\$12.55	\$25,029.00	\$12.57	\$1,897.09	4%		Y
10 H - Hazardous Materials - New Construction												
1,000	\$5,180.22	\$113.32	\$9,577.22	\$102.61	\$5,888.00	\$119.50	\$9,720.00	\$97.20	\$850.56	6%		Y
5,000	\$9,712.92	\$161.88	\$13,681.74	\$164.18	\$10,668.00	\$169.68	\$13,608.00	\$165.24	\$881.34	4%		Y
10,000	\$17,807.02	\$145.69	\$21,890.78	\$175.13	\$19,152.00	\$154.80	\$21,870.00	\$174.96	\$1,324.20	3%		Y
20,000	\$32,376.40	\$26.98	\$39,403.41	\$73.88	\$34,632.00	\$28.86	\$39,366.00	\$73.71	\$2,218.19	3%		Y
50,000	\$40,470.50	\$35.61	\$61,567.83	\$30.10	\$43,290.00	\$37.61	\$61,479.00	\$30.13	\$2,730.68	3%		Y
100,000	\$58,277.51	\$58.28	\$76,617.74	\$76.62	\$62,094.00	\$61.55	\$76,545.00	\$76.70	\$3,743.74	3%		Y
11 H - Hazardous Materials - Tenant Improvement												
1,000	\$2,590.11	\$56.66	\$5,107.85	\$54.73	\$2,944.00	\$57.58	\$5,103.00	\$54.68	\$349.04	5%		Y
5,000	\$4,856.46	\$80.94	\$7,296.93	\$87.56	\$5,247.00	\$84.84	\$7,290.00	\$87.48	\$383.61	3%		Y
10,000	\$8,903.51	\$72.85	\$11,675.08	\$93.40	\$9,489.00	\$78.27	\$11,664.00	\$92.34	\$574.41	3%		Y
20,000	\$16,188.20	\$13.49	\$21,015.15	\$39.40	\$17,316.00	\$14.43	\$20,898.00	\$39.69	\$1,010.65	3%		Y
50,000	\$20,235.25	\$17.81	\$32,836.17	\$16.05	\$21,645.00	\$18.98	\$32,805.00	\$16.04	\$1,378.58	3%		Y
100,000	\$29,138.76	\$29.14	\$40,862.80	\$40.86	\$31,134.00	\$31.05	\$40,824.00	\$40.82	\$1,956.45	3%		Y
12 I - Licensed Clinics - New Construction												
2,000	\$3,113.80	\$34.06	\$6,384.81	\$34.20	\$3,672.00	\$37.89	\$6,561.00	\$33.41	\$734.39	8%		Y
10,000	\$5,838.37	\$48.65	\$9,121.16	\$54.73	\$6,703.00	\$52.47	\$9,234.00	\$53.46	\$977.47	7%		Y
20,000	\$10,703.68	\$43.79	\$14,593.86	\$58.38	\$11,950.00	\$48.32	\$14,580.00	\$58.32	\$1,232.47	5%		Y
40,000	\$19,461.23	\$8.11	\$26,268.94	\$24.63	\$21,613.00	\$8.89	\$26,244.00	\$24.71	\$2,126.83	5%		Y
100,000	\$24,326.54	\$10.70	\$41,045.22	\$10.03	\$26,947.00	\$11.60	\$41,067.00	\$9.96	\$2,642.24	4%		Y
200,000	\$35,030.22	\$17.52	\$51,078.49	\$25.54	\$38,549.00	\$18.99	\$51,030.00	\$25.36	\$3,470.29	4%		Y
13 I - Licensed Clinics - Tenant Improvement												
1,000	\$1,257.65	\$27.51	\$2,660.34	\$28.50	\$2,390.00	\$50.65	\$3,888.00	\$54.68	\$2,360.01	60%		Y
5,000	\$2,358.09	\$39.30	\$3,800.48	\$45.61	\$4,416.00	\$68.22	\$6,075.00	\$68.04	\$4,332.42	70%		Y
10,000	\$4,323.17	\$35.37	\$6,080.77	\$48.65	\$7,827.00	\$61.65	\$9,477.00	\$70.47	\$6,900.06	66%		Y
20,000	\$7,860.31	\$6.55	\$10,945.39	\$20.52	\$13,992.00	\$11.66	\$16,524.00	\$32.40	\$11,710.30	62%		Y
50,000	\$9,825.39	\$8.65	\$17,102.17	\$8.36	\$17,490.00	\$15.65	\$26,244.00	\$13.12	\$16,806.44	62%		Y
100,000	\$14,148.56	\$14.15	\$21,282.71	\$21.29	\$25,317.00	\$25.61	\$32,805.00	\$33.41	\$22,690.73	64%		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
14 M - Mercantile - New Construction												
500	\$2,575.95	\$112.70	\$5,320.68	\$114.01	\$3,118.00	\$123.85	\$5,346.00	\$121.50	\$567.37	7%		Y
2,500	\$4,829.91	\$161.00	\$7,600.97	\$182.42	\$5,595.00	\$165.56	\$7,776.00	\$174.96	\$940.12	8%		Y
5,000	\$8,854.84	\$144.90	\$12,161.55	\$194.58	\$9,734.00	\$151.00	\$12,150.00	\$194.40	\$867.61	4%		Y
10,000	\$16,099.71	\$26.83	\$21,890.78	\$82.09	\$17,284.00	\$28.86	\$21,870.00	\$82.62	\$1,163.50	3%		Y
25,000	\$20,124.64	\$35.42	\$34,204.35	\$33.44	\$21,613.00	\$36.85	\$34,263.00	\$33.05	\$1,547.01	3%		Y
50,000	\$28,979.48	\$57.96	\$42,565.41	\$85.13	\$30,825.00	\$60.30	\$42,525.00	\$84.12	\$1,805.11	3%		Y
15 M - Mercantile - Tenant Improvement												
250	\$1,182.84	\$103.50	\$2,128.27	\$91.21	\$1,559.00	\$91.80	\$2,187.00	\$97.20	\$434.89	13%		Y
1,250	\$2,217.82	\$147.85	\$3,040.39	\$145.94	\$2,477.00	\$162.08	\$3,159.00	\$136.08	\$377.79	7%		Y
2,500	\$4,066.00	\$133.07	\$4,864.62	\$155.67	\$4,503.00	\$139.92	\$4,860.00	\$155.52	\$432.38	5%		Y
5,000	\$7,392.73	\$24.64	\$8,756.31	\$65.67	\$8,001.00	\$28.17	\$8,748.00	\$64.80	\$599.95	4%		Y
12,500	\$9,240.92	\$32.53	\$13,681.74	\$26.76	\$10,114.00	\$34.63	\$13,608.00	\$27.22	\$799.34	3%		Y
25,000	\$13,306.92	\$53.22	\$17,026.16	\$68.10	\$14,443.00	\$56.67	\$17,010.00	\$69.28	\$1,119.91	4%		Y
16 R-1 - Residential Hotels - New Construction												
2,000	\$11,525.10	\$126.06	\$29,263.72	\$156.77	\$12,536.00	\$135.93	\$29,160.00	\$157.95	\$907.18	2%		Y
10,000	\$21,609.57	\$180.08	\$41,805.32	\$250.83	\$23,410.00	\$190.10	\$41,796.00	\$250.29	\$1,791.12	3%		Y
20,000	\$39,617.54	\$162.07	\$66,888.50	\$267.55	\$42,420.00	\$173.84	\$66,825.00	\$267.30	\$2,738.95	3%		Y
40,000	\$72,031.90	\$30.01	\$120,399.31	\$112.87	\$77,187.00	\$32.12	\$120,285.00	\$113.00	\$5,040.80	3%		Y
100,000	\$90,039.87	\$39.62	\$188,123.92	\$45.99	\$96,458.00	\$42.42	\$188,082.00	\$45.93	\$6,376.21	2%		Y
200,000	\$129,657.41	\$64.83	\$234,109.76	\$117.05	\$138,878.00	\$69.42	\$234,009.00	\$116.90	\$9,119.82	3%		Y
17 R-1 - Residential Hotels - Tenant Improvement												
500	\$2,739.74	\$119.86	\$6,810.47	\$145.94	\$2,944.00	\$129.00	\$6,804.00	\$145.80	\$197.80	2%		Y
2,500	\$5,137.01	\$171.23	\$9,729.24	\$233.50	\$5,524.00	\$180.76	\$9,720.00	\$233.28	\$377.76	3%		Y
5,000	\$9,417.84	\$154.11	\$15,566.78	\$249.07	\$10,043.00	\$167.62	\$15,552.00	\$247.86	\$610.38	2%		Y
10,000	\$17,123.35	\$28.54	\$28,020.20	\$105.08	\$18,424.00	\$30.71	\$27,945.00	\$105.30	\$1,225.45	3%		Y
25,000	\$21,404.19	\$37.67	\$43,781.57	\$42.81	\$23,030.00	\$40.17	\$43,740.00	\$42.77	\$1,584.24	2%		Y
50,000	\$30,822.03	\$61.64	\$54,483.73	\$108.97	\$33,073.00	\$65.73	\$54,432.00	\$108.86	\$2,199.24	3%		Y
18 R-2 - Residential Multi-Family - New Construction												
2,000	\$24,107.16	\$12.62	\$37,244.74	\$199.53	\$26,109.00	\$14.74	\$37,179.00	\$200.48	\$1,936.11	3%		Y
10,000	\$25,116.39	\$209.30	\$53,206.76	\$319.24	\$27,288.00	\$220.57	\$53,217.00	\$318.33	\$2,181.84	3%		Y
20,000	\$46,046.72	\$188.37	\$85,130.82	\$340.52	\$49,345.00	\$201.54	\$85,050.00	\$340.20	\$3,217.46	2%		Y
40,000	\$83,721.30	\$34.88	\$153,235.48	\$143.66	\$89,652.00	\$37.66	\$153,090.00	\$143.78	\$5,785.22	2%		Y
100,000	\$104,651.63	\$46.05	\$239,430.44	\$58.53	\$112,247.00	\$49.35	\$239,355.00	\$58.32	\$7,519.93	2%		Y
200,000	\$150,698.34	\$75.35	\$297,957.88	\$148.98	\$161,592.00	\$80.75	\$297,675.00	\$148.45	\$10,610.77	2%		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
19 R-2 - Residential Multi-Family - Tenant Improvement												
500	\$3,487.86	\$152.59	\$7,448.95	\$159.62	\$3,775.00	\$170.55	\$7,533.00	\$157.95	\$371.19	3%		Y
2,500	\$6,539.73	\$217.99	\$10,641.35	\$255.39	\$7,186.00	\$225.08	\$10,692.00	\$252.72	\$696.91	4%		Y
5,000	\$11,989.51	\$196.19	\$17,026.16	\$272.42	\$12,813.00	\$211.94	\$17,010.00	\$272.16	\$807.32	3%		Y
10,000	\$21,799.11	\$36.33	\$30,647.10	\$114.93	\$23,410.00	\$38.09	\$30,618.00	\$115.02	\$1,581.79	3%		Y
25,000	\$27,248.89	\$47.96	\$47,886.09	\$46.82	\$29,124.00	\$51.25	\$47,871.00	\$46.66	\$1,860.02	2%		Y
50,000	\$39,238.41	\$78.48	\$59,591.58	\$119.18	\$41,937.00	\$83.87	\$59,535.00	\$118.76	\$2,642.02	3%		Y
20 R-4 - Care / Assisted Living - New Construction												
2,000	\$7,036.37	\$76.96	\$15,962.03	\$85.51	\$7,550.00	\$83.99	\$16,038.00	\$85.05	\$589.60	3%		Y
10,000	\$13,193.20	\$109.94	\$22,802.90	\$136.82	\$14,269.00	\$115.31	\$22,842.00	\$136.08	\$1,114.91	3%		Y
20,000	\$24,187.53	\$98.95	\$36,484.64	\$145.94	\$25,800.00	\$105.97	\$36,450.00	\$145.80	\$1,577.84	3%		Y
40,000	\$43,977.32	\$18.32	\$65,672.35	\$61.57	\$46,994.00	\$19.65	\$65,610.00	\$61.56	\$2,954.33	3%		Y
100,000	\$54,971.65	\$24.19	\$102,613.05	\$25.08	\$58,786.00	\$25.80	\$102,546.00	\$25.03	\$3,747.31	2%		Y
200,000	\$79,159.17	\$39.58	\$127,696.24	\$63.85	\$84,586.00	\$42.22	\$127,575.00	\$63.71	\$5,305.59	3%		Y
21 R-4 - Care / Assisted Living - Tenant Improvement												
1,000	\$3,427.20	\$74.97	\$8,513.08	\$91.21	\$3,775.00	\$85.28	\$8,505.00	\$91.13	\$339.71	3%		Y
5,000	\$6,426.01	\$107.10	\$12,161.55	\$145.94	\$7,186.00	\$112.54	\$12,150.00	\$145.80	\$748.45	4%		Y
10,000	\$11,781.01	\$96.39	\$19,458.47	\$155.67	\$12,813.00	\$105.97	\$19,440.00	\$155.52	\$1,013.51	3%		Y
20,000	\$21,420.02	\$17.85	\$35,025.25	\$65.67	\$23,410.00	\$19.05	\$34,992.00	\$65.61	\$1,956.72	3%		Y
50,000	\$26,775.03	\$23.56	\$54,726.96	\$26.76	\$29,124.00	\$25.63	\$54,675.00	\$26.73	\$2,297.01	3%		Y
100,000	\$38,556.04	\$38.56	\$68,104.66	\$68.10	\$41,937.00	\$41.93	\$68,040.00	\$68.04	\$3,316.30	3%		Y
22 S-1 - Storage Moderate Hazard - New Construction												
1,000	\$4,191.50	\$91.69	\$7,981.01	\$85.51	\$4,780.00	\$103.48	\$8,019.00	\$85.05	\$626.49	5%		Y
5,000	\$7,859.05	\$130.98	\$11,401.45	\$136.82	\$8,919.00	\$138.18	\$11,421.00	\$136.08	\$1,079.50	6%		Y
10,000	\$14,408.27	\$117.89	\$18,242.32	\$145.94	\$15,828.00	\$125.36	\$18,225.00	\$145.80	\$1,402.42	4%		Y
20,000	\$26,196.85	\$21.83	\$32,836.17	\$61.57	\$28,364.00	\$23.66	\$32,805.00	\$61.56	\$2,135.98	4%		Y
50,000	\$32,746.06	\$28.82	\$51,306.52	\$25.08	\$35,463.00	\$30.61	\$51,273.00	\$25.27	\$2,683.42	3%		Y
100,000	\$47,154.32	\$47.15	\$63,848.12	\$63.85	\$50,769.00	\$50.09	\$63,909.00	\$64.33	\$3,675.56	3%		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Current Fee		Current Fee		Proposed Fee		Proposed Fee		Fee Change - Total Base Fee		Note	Yearly Inflator
	Plan Review		Inspection		Plan Review		Inspection		Proposed Total	Proposed Total		
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee Change (\$)	Base Fee Change (%)		
23 S-2 - Storage Low Hazard - New Construction												
1,000	\$2,305.02	\$50.42	\$4,682.20	\$50.17	\$4,780.00	\$103.48	\$8,019.00	\$85.05	\$5,811.78	83%		Y
5,000	\$4,321.91	\$72.03	\$6,688.85	\$80.27	\$8,919.00	\$138.18	\$11,421.00	\$136.08	\$9,329.24	85%		Y
10,000	\$7,923.51	\$64.83	\$10,702.16	\$85.62	\$15,828.00	\$125.36	\$18,225.00	\$145.80	\$15,427.33	83%		Y
20,000	\$14,406.38	\$12.01	\$19,263.89	\$36.12	\$28,364.00	\$23.66	\$32,805.00	\$61.56	\$27,498.73	82%		Y
50,000	\$18,007.97	\$15.85	\$30,099.83	\$14.72	\$35,463.00	\$30.61	\$51,273.00	\$25.27	\$38,628.20	80%		Y
100,000	\$25,931.48	\$25.93	\$37,457.56	\$37.46	\$50,769.00	\$50.09	\$63,909.00	\$64.33	\$51,288.96	81%		Y
24 S - Storage - Tenant Improvement												
500	\$1,706.52	\$74.66	\$2,926.37	\$62.71	\$2,113.00	\$73.60	\$2,916.00	\$60.75	\$396.10	9%		Y
2,500	\$3,199.73	\$106.66	\$4,180.53	\$100.33	\$3,585.00	\$114.28	\$4,131.00	\$106.92	\$335.74	5%		Y
5,000	\$5,866.17	\$95.99	\$6,688.85	\$107.02	\$6,442.00	\$106.68	\$6,804.00	\$106.92	\$690.98	6%		Y
10,000	\$10,665.77	\$17.78	\$12,039.93	\$45.15	\$11,776.00	\$19.63	\$12,150.00	\$43.74	\$1,220.30	5%		Y
25,000	\$13,332.21	\$23.46	\$18,812.39	\$18.39	\$14,720.00	\$25.77	\$18,711.00	\$18.47	\$1,286.40	4%		Y
50,000	\$19,198.38	\$38.40	\$23,410.98	\$46.82	\$21,162.00	\$42.17	\$23,328.00	\$47.01	\$1,880.64	4%		Y
25 U - Utility - Misc - New Construction												
150	\$988.73	\$144.19	\$1,809.03	\$129.22	\$1,646.00	\$167.50	\$1,944.00	\$162.00	\$792.24	28%		Y
750	\$1,853.87	\$205.99	\$2,584.33	\$206.75	\$2,651.00	\$159.33	\$2,916.00	\$162.00	\$1,128.81	25%		Y
1,500	\$3,398.75	\$185.39	\$4,134.93	\$220.53	\$3,846.00	\$190.47	\$4,131.00	\$226.80	\$443.32	6%		Y
3,000	\$6,179.55	\$34.33	\$7,442.87	\$93.04	\$6,703.00	\$32.71	\$7,533.00	\$91.80	\$613.58	5%		Y
7,500	\$7,724.44	\$45.32	\$11,629.48	\$37.90	\$8,175.00	\$50.33	\$11,664.00	\$38.88	\$485.08	3%		Y
15,000	\$11,123.19	\$74.16	\$14,472.24	\$96.48	\$11,950.00	\$82.37	\$14,580.00	\$98.97	\$934.57	4%		Y
26 U - Utility - Misc - Tenant Improvement												
100	\$659.15	\$144.19	\$1,276.96	\$136.82	\$1,005.00	\$160.25	\$1,458.00	\$121.50	\$526.89	27%		Y
500	\$1,235.91	\$205.99	\$1,824.23	\$218.91	\$1,646.00	\$183.60	\$1,944.00	\$194.40	\$529.86	17%		Y
1,000	\$2,265.84	\$185.39	\$2,918.77	\$233.50	\$2,564.00	\$202.60	\$2,916.00	\$243.00	\$295.39	6%		Y
2,000	\$4,119.70	\$34.33	\$5,253.79	\$98.51	\$4,590.00	\$30.60	\$5,346.00	\$97.20	\$562.51	6%		Y
5,000	\$5,149.63	\$45.32	\$8,209.04	\$40.13	\$5,508.00	\$47.80	\$8,262.00	\$38.88	\$411.33	3%		Y
10,000	\$7,415.46	\$74.16	\$10,215.70	\$102.16	\$7,898.00	\$78.22	\$10,206.00	\$98.97	\$472.84	3%		Y
27 Shell Building												
5,000	\$6,227.59	\$27.25	\$11,705.49	\$25.08	\$6,719.00	\$30.39	\$11,664.00	\$25.52	\$449.92	3%		Y
25,000	\$11,676.74	\$38.92	\$16,722.13	\$40.13	\$12,797.00	\$40.93	\$16,767.00	\$39.85	\$1,165.13	4%		Y
50,000	\$21,407.36	\$35.03	\$26,755.40	\$42.81	\$23,030.00	\$37.61	\$26,730.00	\$42.77	\$1,597.24	3%		Y
100,000	\$38,922.46	\$6.49	\$48,159.72	\$18.06	\$41,834.00	\$6.88	\$48,114.00	\$18.14	\$2,865.81	3%		Y
250,000	\$48,653.08	\$8.56	\$75,249.57	\$7.36	\$52,154.00	\$9.07	\$75,330.00	\$7.29	\$3,581.35	3%		Y
500,000	\$70,060.44	\$14.01	\$93,643.91	\$18.73	\$74,836.00	\$14.84	\$93,555.00	\$18.56	\$4,686.66	3%		Y

[a] Amounts exclude City of Milpitas standard permitting fees and State of California fees.

[b] Each fee listed in this schedule is based on the estimated service time required to perform a standard service request. Additional fees may be charged on an hourly basis should the staff time spent exceed the allotted time based on the fees charged.

City of Milpitas
BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
MISCELLANEOUS FEES - RESIDENTIAL								[b]	
Combination Permits									
1 Detached Garage or Accessory Structure	\$1,260	\$1,457	\$1,457	100%		\$197	16%	[a]	Y
2 Window, Skylight or Exterior Door Replacement									
a) Frame to remain (Retrofit) (1-9)	\$209	\$209	\$209	100%		No Change	No Change	[a]	Y
b) Frame to remain (Retrofit) (10+)	\$330	\$330	\$330	100%		No Change	No Change	[a]	Y
c) Frame replaced (1-3)	\$330	\$330	\$330	100%		No Change	No Change	[a]	Y
d) Frame replaced (4-10)	\$573	\$573	\$573	100%		No Change	No Change	[a]	Y
e) Frame replaced (11-20)	\$816	\$816	\$816	100%		No Change	No Change	[a]	Y
f) Frame replaced (20+)	\$952	\$1,059	\$1,059	100%		\$107	11%	[a]	Y
Miscellaneous Construction									
3 Sound Wall	\$1,470	\$1,492	\$1,492	100%		\$22	1%	[a]	Y
4 Demolition Permit									
a) Accessory Structures Demolition	\$399	\$399	\$399	100%		No Change	No Change	[a]	Y
b) Interior Non-Structural Demolition	\$469	\$469	\$469	100%		No Change	No Change	[a]	Y
c) Total Building Demolition	\$598	\$712	\$712	100%		\$114	19%	[a]	Y

City of Milpitas
BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
MISCELLANEOUS FEES - MULTI-FAMILY AND COMMERCIAL								[b]	
Miscellaneous Construction									
5 Equipment Installation									
a) Each Type - Plan Review	\$514	\$554	\$554	100%		\$40	8%		Y
b) Each 2 pieces or fraction thereof - Inspection	\$486	\$486	\$486	100%		No Change	No Change		Y
6 Racks, each type									
a) Each Rack Type	\$879	\$919	\$919	100%		\$39	4%		Y
b) Each 5 racks or fraction thereof	\$243	\$243	\$243	100%		No Change	No Change		Y
7 Roof Screen	\$1,122	\$1,162	\$1,162	100%		\$39	3%	[a]	Y
8 Fences	\$1,122	\$1,162	\$1,162	100%		\$39	3%	[a]	Y
9 Monument Sign									
a) Each Piece - Not Electrical	\$744	\$763	\$763	100%		\$19	3%	[a]	Y
b) Each Piece - Including Electrical	\$930	\$954	\$954	100%		\$24	3%	[a]	Y
10 Wall Mounted Sign									
a) Not Electrical	\$500	\$520	\$520	100%		\$20	4%	[a]	Y
b) Including Electrical	\$686	\$711	\$711	100%		\$24	4%	[a]	Y
11 Demolition Permit									
a) Equipment Demolition:									
i) First 4 Pieces	\$260	\$260	\$260	100%		No Change	No Change	[a]	Y
ii) Fee for Each Additional 4 Pieces or Fraction Thereof	\$122	\$122	\$122	100%		No Change	No Change	[a]	Y
b) Interior Non-Structural Demolition	\$598	\$625	\$625	100%		\$27	4%	[a]	Y
c) Total Building Demolition	\$598	\$868	\$868	100%		\$270	45%	[a]	Y
12 Accessibility Exception Request	\$619	\$641	\$641	100%		\$22	4%		Y

City of Milpitas
BUILDING SAFETY - MISCELLANEOUS

Fee Description		Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
RESIDENTIAL, MULTI-FAMILY, COMMERCIAL, AND MEP FEES									[b]	
Grading										
13	Plan Check									
	a) 0 - 10,000 Cubic Yards	\$514	\$554	\$554	100%		\$40	8%		Y
	b) Add for each additional 10,000 CY or fraction thereof	\$129	\$139	\$139	100%		\$10	8%		Y
	c) Over 100,000 Cubic Yards	\$1,672	\$1,801	\$1,801	100%		\$129	8%		Y
	d) Over 100,000 Cubic Yards – add for each additional 10,000 CY or fraction thereof	\$64	\$69	\$69	100%		\$5	8%		Y
Site Improvement										
14	Plan Check									
	a) 0-50,000 SF	\$2,572	\$2,770	\$2,770	100%		\$198	8%		Y
	b) 50,001-100,000 SF	\$3,600	\$3,878	\$3,878	100%		\$278	8%		Y
	c) 100,001-500,000 SF	\$10,287	\$11,080	\$11,080	100%		\$793	8%		Y
	d) 500,001+ SF	\$1.66	\$1.66	\$1.66	100%	per 100 SF	No Change	No Change		Y
Pools or Spas										
15	Swimming Pool or Spa									
	a) Private	\$1,105	\$1,127	\$1,127	100%		\$22	2%	[a]	Y
	b) Public	\$1,741	\$2,167	\$2,167	100%		\$426	24%	[a]	Y
16	Swimming Pool and Spa Together									
	a) Private	\$1,849	\$1,890	\$1,890	100%		\$41	2%	[a]	Y
	b) Public	\$2,914	\$2,930	\$2,930	100%		\$16	1%	[a]	Y

City of Milpitas
BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Re-Roofing								[c]	
17 Multi-Family, Residential, each building									
a) Roof Area - 1,000 SF or Less	\$695	\$695	\$695	100%		No Change	No Change		Y
b) Roof Area - 1,001 SF - 3,500 SF	\$1,145	\$1,181	\$1,181	100%		\$36	3%		Y
c) Roof Area - 3,501 SF - 7,000 SF	\$1,145	\$1,788	\$1,788	100%		\$643	56%		Y
d) Roof Area - 7,001 SF - 14,000 SF	\$1,145	\$2,882	\$2,882	100%		\$1,737	152%		Y
e) Roof Area - 14,001+ SF									
i) Base Fee for First 14,000 SF Roof Area	\$1,145	\$2,882	\$2,882	100%		\$1,737	152%		Y
ii) Fee for Each Additional 100 SF or Fraction Thereof	\$16	\$16	\$16	100%		No Change	No Change		Y
18 Commercial/Industrial, each building									
a) Roof Area - 1,000 SF or Less	\$938	\$938	\$938	100%		No Change	No Change		Y
b) Roof Area - 1,001 SF - 3,500 SF	\$1,449	\$1,545	\$1,545	100%		\$96	7%		Y
c) Roof Area - 3,501 SF - 7,000 SF	\$1,449	\$2,274	\$2,274	100%		\$825	57%		Y
d) Roof Area - 7,001 SF - 14,000 SF	\$1,449	\$3,611	\$3,611	100%		\$2,162	149%		Y
e) Roof Area - 14,001+ SF									
i) Base Fee for First 14,000 SF Roof Area	\$1,449	\$3,611	\$3,611	100%		\$2,162	149%		Y
ii) Fee for Each Additional 100 SF or Fraction Thereof	\$20	\$20	\$20	100%		No Change	No Change		Y
Miscellaneous Fee									
19 Alternative Materials or Methods of Construction	\$772	\$831	\$831	100%		\$59	8%		Y
Other Plan Check and Inspection Permit Fees									
20 Revision / Deferred Submittal Plan Check - per hour	\$257	\$277	\$277	100%	per hour	\$20	8%		Y
Hourly Rates									
21 Hourly Rates - Normal Business Hours									
a) Plan Check	\$257	\$277	\$277	100%		\$20	8%		Y
b) Inspection	\$243	\$243	\$243	100%		No Change	No Change		Y
22 Hourly Rates - Afterhours (Overtime)									
a) Plan Check	\$308	\$332	\$332	100%		\$25	8%		Y
b) Inspection	\$292	\$292	\$292	100%		No Change	No Change		Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
ELECTRICAL									
23 Plan Check Fee - (min. 1 hr) - per hour	\$257	\$277	\$277	100%	per hour	\$20	8%		Y
24 Receptacle Outlets, multiple on one circuit									
a) First 20	\$122	\$122	\$122	100%		No Change	No Change		Y
b) Each additional 20	\$101	\$122	\$122	100%		\$20	20%		Y
25 Switches, Dimmers, Occupancy sensors, Sensor Power Packs, etc.									
a) First 20	\$122	\$122	\$122	100%		No Change	No Change		Y
b) Each additional 20	\$101	\$122	\$122	100%		\$20	20%		Y
26 Lighting Fixtures, Sockets									
a) First 20	\$122	\$122	\$122	100%		No Change	No Change		Y
b) Each additional 20	\$101	\$122	\$122	100%		\$20	20%		Y
27 Circuit Breaker Panel/Subpanel, Lighting Control Panel – each	\$101	\$122	\$122	100%	each	\$20	20%		Y
28 Commercial Equipment, hardwired from dedicated circuit – each	\$101	\$122	\$122	100%	each	\$20	20%		Y
29 Electrical vehicle charging station									
a) Residential	\$61	\$61	\$61	100%		No Change	No Change		Y
b) Commercial	\$101	\$122	\$122	100%		\$20	20%		Y
30 HEPA filter									
a) First 20	\$122	\$122	\$122	100%		No Change	No Change		Y
b) Each additional 20	\$101	\$122	\$122	100%		\$20	20%		Y
31 Power Apparatus (UPS) or Transformer	\$101	\$122	\$122	100%	each	\$20	20%		Y
32 Miscellaneous Apparatus, Conduits & Conductors	\$101	\$122	\$122	100%	each	\$20	20%		Y
33 Special Circuitry, per circuit	\$101	\$122	\$122	100%	per circuit	\$20	20%		Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
MECHANICAL									
34 Plan Check Fee (min.1 hr)	\$257	\$277	\$277	100%	per hour	\$20	8%		Y
35 Install Furnace or Heater, Residential (not including duct work)	\$162	\$182	\$182	100%		\$20	12%		Y
36 Install Hood with Mechanical Exhaust									
a) Residential	\$101	\$122	\$122	100%		\$20	20%		Y
b) Commercial	\$243	\$243	\$243	100%		No Change	No Change		Y
37 Duct Work per VAV or Single Zone System	\$101	\$122	\$122	100%		\$20	20%		Y
38 Dryer vent									
a) Dryer vent, residential	\$101	\$122	\$122	100%	each	\$20	20%		Y
b) Dryer vent, commercial	\$243	\$243	\$243	100%	each	No Change	No Change		Y
39 Single Bathroom Ventilation Fan and Duct	\$101	\$122	\$122	100%		\$20	20%		Y
40 Process Piping									
a) Hazardous process piping system									
i) First 4 outlets	\$182	\$182	\$182	100%		No Change	No Change		Y
ii) Over 4 outlets - per outlet	\$101	\$122	\$122	100%	per outlet	\$20	20%		Y
b) Non-Hazardous process piping system									
i) First 4 outlets	\$182	\$182	\$182	100%		No Change	No Change		Y
ii) Over 4 outlets - per outlet	\$101	\$122	\$122	100%	per outlet	\$20	20%		Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
PLUMBING									
41 Plan Check Fee (min. 1 hr) - per hour	\$257	\$277	\$277	100%	per hour	\$20	8%		Y
42 Plumbing Fixtures									
a) First 5 traps (or portion of)	\$182	\$182	\$182	100%		No Change	No Change		Y
b) Each Additional trap	\$101	\$122	\$122	100%		\$20	20%		Y
43 Backflow Protection									
a) first 5	\$182	\$182	\$182	100%		No Change	No Change		Y
b) each additional 5 (or portion of)	\$101	\$122	\$122	100%		\$20	20%		Y

[a] 60% of the permit fee is considered inspection fee for the purpose of processing refund request and applying inspection investigation fee.

[b] Each fee listed in this schedule is based on the estimated service time required to perform a standard service request. Additional fees may be charged on an hourly basis should the staff time spent exceed the allotted time based on the fees charged.

[c] Re-roofing fees assume no plan check required. Additional plan check fees will be charged on an hourly basis, should plan check be required.

City of Milpitas

PLANNING

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Special Events								
1 Application Type								
a) Minor Special Events								
i) Permit Fee - Application Complete and Received by Standard Deadline	\$284	\$825	\$284	34%	No Change	No Change		Y
ii) Permit Fee - Late Filing	\$276	\$1,238	\$426	34%	\$150	55%		Y
b) Regular Special Events								
i) Permit Fee - Application Complete and Received by Standard Deadline	\$1,074	\$4,077	\$1,106	27%	\$32	3%		Y
ii) Permit Fee - Late Filing	\$1,074	\$6,115	\$1,659	27%	\$585	55%		Y
c) Major Special Events								
i) Permit Fee - Application Complete and Received by Standard Deadline	\$6,706	\$11,803	\$6,907	59%	\$201	3%		Y
ii) Permit Fee - Late Filing	\$6,706	\$17,705	\$10,361	59%	\$3,655	55%		Y
2 Conceptual Review - Planning Staff Only - per meeting	\$412	\$688	\$688	100%	\$276	67%		Y
Pre-Application Review								
3 Single Family Districts	\$3,211	\$4,062	\$4,062	100%	\$851	27%		Y
4 Multi-Family / Non-Residential	\$10,230	\$11,628	\$11,628	100%	\$1,398	14%		Y
Tentative Maps								
5 Parcel Map	\$15,200	\$15,508	\$15,508	100%	\$308	2%		Y
6 Tract Map	\$22,044	\$23,008	\$23,008	100%	\$964	4%		Y
Minor Site Development								
7 Zoning Administrator								
a) Staff Review - Zoning Administrator	\$3,608	\$6,690	\$6,690	100%	\$3,082	85%	[a],[b]	Y
b) Staff Review Hillside - Zoning Administrator	\$5,017	\$7,704	\$7,704	100%	\$2,687	54%	[a],[b]	Y
Site Development								
8 Requiring PC / CC Approval	\$20,182	\$23,012	\$23,012	100%	\$2,830	14%	[a],[b]	Y
9 Zoning Administrator	\$15,607	\$17,377	\$17,377	100%	\$1,770	11%	[a],[b]	Y
10 SB35 Housing Project	\$11,773	\$13,473	\$13,473	100%	\$1,700	14%	[a],[b]	Y
Minor Conditional Use Permit								
11 Staff Review	\$1,526	\$3,852	\$1,926	50%	\$399	26%	[a],[b]	Y
12 Zoning Administrator	\$1,526	\$7,292	\$3,646	50%	\$2,120	139%	[a],[b]	Y

City of Milpitas

PLANNING

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Conditional Use Permit								
13 Single Family Districts	\$742	\$10,203	\$5,102	50%	\$4,360	588%	[a],[b]	Y
14 Multi-Family / Non-Residential, Including Telecommunication Facility, Major	\$17,144	\$17,629	\$17,629	100%	\$485	3%	[a],[b]	Y
Temporary Uses								
15 Temporary Use Permit	\$956	\$1,100	\$1,100	100%	\$144	15%	[a],[b]	Y
Signs								
16 Minor Sign Permit- Zoning Administrator (freestanding signs greater than 6 feet and less than 10 feet in height)	\$634	\$3,786	\$3,786	100%	\$3,152	497%	[a],[b]	Y
17 Minor Sign Permit - Planning Director (all other Minor Sign Permits)	\$375	\$413	\$413	100%	\$38	10%		Y
18 Temporary Sign Permit (Including Banners)	\$130	\$206	\$155	75%	\$25	19%		Y
Variance								
19 Single Family Districts	\$1,128	\$4,908	\$4,908	100%	\$3,780	335%	[a],[b]	Y
20 Multi-Family / Non-Residential	\$3,474	\$7,487	\$7,487	100%	\$4,013	116%	[a],[b]	Y
Short-Term Rental								
21 Short-Term Rental - Initial	\$555	\$688	\$688	100%	\$133	24%		Y
22 Short-Term Rental - Renewal	\$555	\$688	\$688	100%	\$133	24%		Y

City of Milpitas

PLANNING

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Miscellaneous								
23 Appeal To Planning Commission/City Council	\$2,196	\$6,875	\$5,156	75%	\$2,960	135%	[a],[b]	Y
24 Time Extensions	\$906	\$3,300	\$1,650	50%	\$744	82%	[a]	Y
25 Public Noticing	\$633	\$825	\$825	100%	\$192	30%		Y
26 Zoning Conformance Letter	\$259	\$344	\$344	100%	\$85	33%		Y
27 Tree Removal	\$263	\$413	\$413	100%	\$150	57%		Y
28 Certificate of Occupancy Review	\$138	\$206	\$206	100%	\$69	50%		Y
29 Permit Compliance Review	\$548	\$619	\$619	100%	\$70	13%		Y
30 Letter of Determination / Interpretation	\$1,097	\$1,169	\$1,169	100%	\$72	7%		Y

[a] A public noticing fee will apply to this permit application.

[b] Legal fees will be billed separately through an established PJ.

General notes applicable to all fees

[c] For payments made using vendor portal services, the applicant shall be responsible for processing fees charged by the vendor, as applicable.

[d] As an alternative to the fixed fee amount shown, staff may bill on a time and materials basis, determined by the planning hourly rate, when projects costs are likely to vary significantly from adopted fee amount. In these instances, a deposit may be requested to bill against.

[e] Deposit account (PJs): This deposit will be collected in addition to any other deposits or fixed fees. Any unused deposit amounts will be returned to the applicant. Deposit accounts provide full cost recovery to the City. The cost of staff time is based on fully-burdened hourly rates, including overhead. No flat fees will be added. Overhead includes clerical, facilities, equipment, and other service costs.

[f] Staff will determine the initial deposit based on the project's scope and the typical cost to process the application.

[g] When two or more applications are filed and processed concurrently, the required fee amount will be the largest of the applications, plus 25% of each additional permit.

[h] The 3.8% Technology Charge applies to all deposits and fees, except CEQA.

[i] A 2.4% credit card processing fee applies to all fees paid with a credit card.

City of Milpitas

ENGINEERING

Fee Description	Current Fee / Deposit	Cost of Service	Proposed Fee / Deposit	Proposed Cost Recovery	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
1 Minor Encroachment Permit	\$1,265	\$2,000	\$2,000	100%	\$735	58%		Y
2 Lot Line / Merger Adjustment	\$3,732	\$5,000	\$5,000	100%	\$1,268	34%	[a]	Y
3 Street / Alley Easement Vacation	\$2,711	\$5,000	\$5,000	100%	\$2,289	84%		Y
Building Permit Reviews:								
4 Single Family New Building / Addition	\$694	\$750	\$750	100%	\$56	8%		Y
5 Commercial / Industrial New Building	\$2,314	\$2,500	\$2,500	100%	\$186	8%		Y
6 Commercial / Industrial Tenant Improvement	\$231	\$750	\$750	100%	\$519	224%		Y
7 Commercial / Industrial Site Improvement (including Grading)	\$2,082	\$2,500	\$2,500	100%	\$418	20%		Y
8 All Other Permit Application Reviews (per hour)	\$231	\$250	\$250	100%	\$19	8%		Y
Engineering Plan Review: (Construction Cost Estimate)								
9 Up to \$50,000	\$5,910	\$7,500	\$7,500	100%	\$1,590	27%		Y
10 \$50,001-\$200,000	\$11,820	\$15,000	\$15,000	100%	\$3,180	27%		Y
11 \$200,001-\$500,000	\$17,730	\$22,500	\$22,500	100%	\$4,770	27%		Y
12 Over \$500,001	\$23,639	\$30,000	\$30,000	100%	\$6,361	27%		Y

[a] Fee includes Planning and Engineering review.

City of Milpitas
UTILITIES SERVICES FEES

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Utilities								
1 Meter Removal / Installation								
a) Less than 2"	\$117	\$180	\$180	100%	\$63	54%		Y
b) Greater than or Equal to 2"	\$345	\$360	\$360	100%	\$15	4%		Y
2 Water Meter Testing								
a) Residential Deposit	\$110		\$180		\$70	64%	[a]	Y
b) Commercial Deposit	\$300		\$360		\$60	20%	[a]	Y
3 Hydrant Flow Test								
a) Two or Fewer Hydrants	\$705	\$705	\$705	100%	No Change	No Change		Y
b) Three Hydrants	\$749	\$874	\$874	100%	\$125	17%		Y
c) Four Hydrants	\$780	\$1,043	\$1,043	100%	\$263	34%		Y
4 Sewer Lateral Inspection								
a) Visual Inspection	\$117	\$209	\$209	100%	\$92	78%		Y
b) Video Inspection - Residential	\$442	\$442	\$442	100%	No Change	No Change		Y
c) Video Inspection - Commercial (per hour)	\$413	\$413	\$413	100%	No Change	No Change		Y
5 Restoration Fee - During Non-Operational Hours								
a) Low Income	\$178	\$418	\$178	43%	No Change	No Change	[b],[c]	Y - Note
b) All Others	\$367	\$418	\$418	100%	\$50	14%		Y

[a] If meter is not accurate, deposit is refunded. If meter has been tampered with, the resident or business is charged for the repair.

[b] For residential customers who demonstrate to the City a household income below 200 percent of the federal poverty line, the City will limit any service restoration charges during normal operating hours to fifty dollars (\$50), and during nonoperational hours to one hundred fifty dollars (\$150) for 2020. The limits will only apply if the City's service restoration charges actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.

[c] Fee based on 2020 base year amount, adjusted to account for authorized annual inflationary adjustments detailed in footnote [b].

City of Milpitas
FIRE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
FIRE PREVENTION									
ANNUAL OPERATIONAL PERMITS									
1 A-4 & A-5 Occupancy (indoors or outdoors sport event structures)	\$2,614	\$2,639	\$2,639	100%		\$25	1%		Y
2 Malls									
a) Small (0 to 50,000 s.f.)	\$1,131	\$1,131	\$1,131	100%		No Change	No Change		Y
b) Medium (50,001 to 100,000 s.f.)	\$1,885	\$1,885	\$1,885	100%		No Change	No Change		Y
c) Large (over 100,000 s.f.)	\$2,614	\$2,639	\$2,639	100%		\$25	1%		Y
3 Hotels & Multi-Story Structures									
a) <5 stories	\$2,246	\$2,262	\$2,262	100%		\$16	1%		Y
b) 5+ stories - per floor	\$377	\$377	\$377	100%		No Change	No Change		Y
4 Commercial Daycare									
a) Small (<100 children or elderly)	\$737	\$754	\$754	100%		\$17	2%		Y
b) Large (100+ children or elderly)	\$1,473	\$1,508	\$1,508	100%		\$35	2%		Y
5 Medium Apartments (5-15 units)	\$1,473	\$1,508	\$1,508	100%		\$35	2%		Y
6 Large Apartments (more than 15 units)	\$2,210	\$2,262	\$2,262	100%		\$52	2%		Y
7 Toxic Gas									
a) Small Toxic Gas - Annual Monitoring Certification	\$1,473	\$1,508	\$1,508	100%		\$35	2%		Y
b) Large Toxic Gas - Annual Monitoring Certification	\$2,947	\$3,016	\$3,016	100%		\$69	2%		Y

City of Milpitas
FIRE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
CONSTRUCTION REVIEW / PERMIT / INSPECTION									
Building Life / Safety:									
8 Demolition Fees:									
a) Interior or Partial Building or Misc. Demolition	\$738	\$754	\$754	100%		\$16	2%		Y
b) Complete Building with or without Site Demolition	\$1,107	\$1,131	\$1,131	100%		\$24	2%		Y
9 Grading Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.									
a) Less than 1 acre	\$738	\$754	\$754	100%		\$16	2%		Y
b) 1-5 acres	\$1,107	\$1,131	\$1,131	100%		\$24	2%		Y
c) Greater than 5 acres	\$1,477	\$1,508	\$1,508	100%		\$31	2%		Y
10 Site Improvement Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.									
a) Less than 1 acre	\$1,107	\$1,131	\$1,131	100%		\$24	2%		Y
b) 1-5 acres	\$2,215	\$2,262	\$2,262	100%		\$47	2%		Y
c) Greater than 5 acres (per acre)	\$377	\$377	\$377	100%	per acre	No Change	No Change		Y
11 New Building – Shell:									
a) Less than 5,000 sq. ft.	\$1,107	\$1,131	\$1,131	100%		\$24	2%		Y
b) 5,000-25,000 sq. ft.	\$2,215	\$2,262	\$2,262	100%		\$47	2%		Y
c) 25,000-50,000 sq. ft.	\$3,322	\$3,393	\$3,393	100%		\$71	2%		Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.08	\$0.08	\$0.08	100%	per sq ft	No Change	No Change		Y
12 New Building – New Construction:									
a) Less than 5,000 sq. ft.	\$1,107	\$1,131	\$1,131	100%		\$24	2%		Y
b) 5,000-25,000 sq. ft.	\$2,953	\$3,016	\$3,016	100%		\$63	2%		Y
c) 25,000-50,000 sq. ft.	\$5,537	\$5,655	\$5,655	100%		\$118	2%		Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.11	\$0.11	\$0.11	100%	per sq ft	No Change	No Change		Y
13 Additions, Alterations, and Tenant Improvements:									
a) Less than 5,000 sq. ft.	\$660	\$660	\$660	100%		No Change	No Change		Y
b) 5,000-25,000 sq. ft.	\$2,780	\$2,828	\$2,828	100%		\$48	2%		Y
c) 25,000-50,000 sq. ft.	\$5,191	\$5,278	\$5,278	100%		\$87	2%		Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.11	\$0.11	\$0.11	100%	per sq ft	No Change	No Change		Y

City of Milpitas
FIRE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
14 Tents, Canopies, or Membrane Structures:									
a) 4 or less	\$1,106	\$1,508	\$1,508	100%		\$402	36%		Y
b) Each Additional, After 4	\$377	\$377	\$377	100%		No Change	No Change		Y
15 Temporary Assembly (Indoors or outdoors), with or w/out tent									
a) Occupancy 50-299	\$1,106	\$1,131	\$1,131	100%		\$25	2%		Y
b) Occupancy 300-999	\$1,844	\$1,885	\$1,885	100%		\$41	2%		Y
c) Occupancy 1000+	\$2,951	\$3,016	\$3,016	100%		\$65	2%		Y
Fire Extinguishing Systems: These are typically deferred submittals and reviewed and inspected after building plan submittals.									
16 Fire Service Underground:									
a) New or Replace - each	\$1,844	\$1,885	\$1,885	100%		\$41	2%		Y
b) Repairs	\$738	\$754	\$754	100%		\$16	2%		Y
17 Hood & Duct Systems – Each	\$1,476	\$1,508	\$1,508	100%		\$32	2%		Y
18 FM 2000 (under floor systems, etc.) each	\$1,476	\$1,508	\$1,508	100%		\$32	2%		Y
19 Other (deluge, foam, preaction, etc.) each	\$1,476	\$1,508	\$1,508	100%		\$32	2%		Y
Fire Alarm Systems:									
20 Additions, Alterations, or Repairs: If more than 10 devices then the New Fire Alarm fee applies.									
a) 1-5 Devices	\$738	\$754	\$754	100%		\$16	2%		Y
b) 6-10 Devices	\$1,476	\$1,508	\$1,508	100%		\$32	2%		Y
21 New Fire Alarm:									
a) Less than 5,000 sq. ft.	\$1,476	\$1,508	\$1,508	100%		\$32	2%		Y
b) 5,000+ sq. ft. – per sq. ft., fee = Base Fee + [(project sq. ft. - 5,000 sq. ft.) * per sq. ft. fee]	\$0.26	\$0.26	\$0.26	100%		No Change	No Change		Y

City of Milpitas
FIRE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
22 Hazardous Materials - Building Construction:									
a) Commercial ESS	\$2,262	\$2,262	\$2,262	100%		No Change	No Change		Y
b) Residential ESS	\$1,131	\$1,131	\$1,131	100%		No Change	No Change		Y
c) Small TI without process piping or tools. (Example: registration form, inert compressed gas system installations, CO2 for beverage, small auto repair or retail).	\$748	\$1,131	\$1,131	100%		\$383	51%		Y
d) Facility TI with process piping or tanks < 4,000 sq. ft. (Example: H or F Occupancy, Plating Facility, chemical bunker). Does not include tools (tool fee is extra).	\$1,480	\$1,885	\$1,885	100%		\$405	27%		Y
e) Facility TI with process piping or tanks > 4,000 sq. ft. (Example: H or F Occupancy, Plating Facility, chemical bunker). Does not include tools (tool fee is extra).									
i) Base Fee - Includes up to 8 hours	\$3,016	\$3,016	\$3,016	100%		No Change	No Change		Y
ii) Each Additional Hour, or fraction thereof	\$377	\$377	\$377	100%		No Change	No Change		Y
f) Temporary diesel generator (no external tank)	\$1,885	\$1,885	\$1,885	100%		No Change	No Change		Y
g) Temporary diesel tank (external to equipment)	\$1,131	\$1,131	\$1,131	100%		No Change	No Change		Y
h) Temporary or Mobile ESS	\$2,262	\$2,262	\$2,262	100%		No Change	No Change		Y
23 Tools with Hazardous Materials (Example: emergency generator, lift stations, aboveground tanks, treatment systems, battery module per 50KWh, propane system, large tank installations).									
a) Up to Two Tools	\$1,480	\$1,508	\$1,508	100%	up to 2 tools	\$28	2%		Y
b) Each Additional Tool	\$566	\$566	\$566	100%	per tool	No Change	No Change		Y
24 Closure - Facility									
a) Small HM Facility Closure	\$748	\$1,508	\$1,508	100%		\$760	102%		Y
b) Medium HM Facility Closure	\$1,480	\$2,262	\$2,262	100%		\$782	53%		Y
c) Large HM Facility Closure									
i) Base Fee - Includes up to 10 hours	\$3,770	\$3,770	\$3,770	100%		No Change	No Change		Y
ii) Each Additional Hour, or fraction thereof	\$377	\$377	\$377	100%		No Change	No Change		Y
25 Underground Tank Installation:									
a) Tank System - 3 Tanks or less	\$6,737	\$6,786	\$6,786	100%		\$49	1%		Y
b) Each Additional Tank	\$754	\$754	\$754	100%		No Change	No Change		Y
26 Underground Tank Removal:									
a) Tank System - 3 Tanks or less	\$3,007	\$3,770	\$3,770	100%		\$763	25%		Y
b) Each Additional Tank	\$378	\$754	\$754	100%		\$376	99%		Y

City of Milpitas

FIRE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
MISCELLANEOUS FEES:									
27 After Hours or Fast-Track Plan Check, Inspection - 3 hrs min at OT Rate [a]	\$1,300	\$1,357	\$1,357	100%		\$57	4%	[a]	Y
28 New Occupancy (new business)									
a) No Hazardous Materials	\$370	\$754	\$754	100%		\$384	104%		Y
b) With Hazardous Materials	\$737	\$754	\$754	100%		\$17	2%		Y
29 Title 19 5-year automatic fire sprinkler certification									
a) Commercial, Industrial, Mixed Use, Hotel/Motel, Apartments, Condominiums, etc.									
i. Building less than or equal to 50,000 sq. ft.	\$739	\$754	\$754	100%		\$15	2%		Y
ii. Building over 50,000 sq. ft.									
a) First 50,000 sq. ft.	\$739	\$754	\$754	100%		\$15	2%		Y
b) Each additional 50,000 sq. ft. or fraction thereof	\$377	\$377	\$377	100%		No Change	No Change		Y
b) Townhome Buildings									
i. Building less than or equal to 25,000 sq. ft.	\$377	\$377	\$377	100%		No Change	No Change		Y
ii. Building over 25,000 sq. ft.									
a) First 25,000 sq. ft.	\$377	\$377	\$377	100%		No Change	No Change		Y
b) Each additional 25,000 sq. ft. or fraction thereof	\$377	\$377	\$377	100%		No Change	No Change		Y
30 Overtime Hourly Fee - per hour	\$434	\$452	\$452	100%		\$19	4%		Y
31 Emergency Response Mapping - New Projects									
a) Base Fee - Includes up to 1 hour	\$335	\$377	\$377	100%		\$42	13%		Y
b) Each Additional Hour, or fraction thereof	\$335	\$377	\$377	100%		\$42	13%		Y

[a] Minimum 3 hours.

City of Milpitas
POLICE

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
Miscellaneous									
1 Fingerprints									
a) Ink Card Up to (2) Cards	\$25	\$42	\$40	95%	Each Additional Card	\$15	60%		N
b) Ink Card Over (2) Cards	\$5	\$5	\$5	95%		No Change	No Change		N
c) Live Scan plus DOJ and FBI fees	\$25	\$42	\$40	95%		\$15	60%		N
2 Administrative Tow Fees									
a) Impound	\$346	\$365	\$365	100%		\$19	6%		N
b) Stored	\$50	\$165	\$165	100%		\$115	230%		N
3 Photos on CD / Digital Media	\$15	\$32	\$20	63%		\$5	33%		N
4 Police Reports									
a) Up to (10) Pages	\$13	\$32	\$15	48%	per page	\$2	15%		N
b) Police Reports Over (10) Pages	\$1		\$1			No Change	No Change		N

City of Milpitas

RECREATION

Legend for Recreation Fees:

Priority II= Milpitas Public Schools, Chamber, and Gov. Agencies; Priority III= Resident Non-Profits; Priority IV= Milpitas Residents; Priority V= Non-Resident

Fee Description		Current Fee	Proposed Fee	Proposed Change (\$)	Proposed Change (%)	Charge Basis	Note	Yearly Inflator
Artificial Turf Field								
1	Tournament: Field w/o lights (Football)							
	a) Priority II & III	n/a	n/a	No Change	No Change			N
	b) Priority IV	\$235	\$235	No Change	No Change	per hour		N
	c) Priority V	\$342	\$353	\$11	3%	per hour		N
2	Tournament: Field w/ lights (Football)							
	a) Priority II & III	n/a	n/a	No Change	No Change			N
	b) Priority IV	\$245	\$245	No Change	No Change	per hour		N
	c) Priority V	\$357	\$368	\$11	3%	per hour		N
Community Center Rentals								
3	Podium	n/a - new	\$25	n/a - new	n/a - new	per day		N
4	Podium (with Delivery)	n/a - new	\$50	n/a - new	n/a - new	per day		N
Gym, Courts & Pool Rentals								
5	Tournaments: Large Gymnasium (3 hr. Minimum)							
	a) Priority II & III	n/a	n/a	No Change	No Change			N
	b) Priority IV	\$158	\$158	No Change	No Change			N
	c) Priority V	\$233	\$245	\$12	5%			N
6	Classroom (2hr. minimum)							
	a) Priority II	n/a	n/a	No Change	No Change			N
	b) Priority III	\$22	\$22	No Change	No Change	per hour		N
	c) Priority IV	\$43	\$43	No Change	No Change	per hour		N
	d) Priority V	\$106	\$106	No Change	No Change	per hour		N
	e) Deckside Party Area	n/a - new fee	\$35 - \$67	n/a - new fee	n/a - new fee	per rental		N
Picnic Area Rentals								
7	Bounce House Permit							
	a) Priority III & IV	n/a - new	\$60	n/a - new	n/a - new		[a]	N
	b) Priority V	n/a - new	\$100	n/a - new	n/a - new		[a]	N

City of Milpitas

RECREATION

Legend for Recreation Fees:

Priority II= Milpitas Public Schools, Chamber, and Gov. Agencies; Priority III= Resident Non-Profits; Priority IV= Milpitas Residents; Priority V= Non-Resident

Fee Description		Current Fee	Proposed Fee	Proposed Change (\$)	Proposed Change (%)	Charge Basis	Note	Yearly Inflator
Pickleball / Tennis Court Rentals								
8	Courts w/o lights (per court)							
	a) Priority II & III	n/a	n/a	No Change	No Change	per hour / per court		N
	b) Priority IV	\$9	\$9	No Change	No Change	per hour / per court		N
	c) Priority V	\$11	\$18	\$7	67%	per hour / per court		N
9	Courts w/ lights (per court)							
	a) Priority II & III	n/a	n/a	No Change	No Change	per hour / per court		N
	b) Priority IV	\$11	\$11	No Change	No Change	per hour / per court		N
	c) Priority V	\$13	\$21	\$8	62%	per hour / per court		N
YOUTH								
Youth Enrichment Fees								
10	After School Program							
	a) Residents	\$10 - \$20	\$10 - \$20	No Change	No Change	per day for residents		Y
	b) Drop-In	n/a - new	\$15 - \$40	n/a - new	n/a - new	per day		Y
Department General Fees								
11	Credit Card Chargeback Fee	n/a - new	\$30	n/a - new	n/a - new			Y
12	Contractor SAM Insurance Fee	n/a - new	\$5 - \$50	n/a - new	n/a - new	per session/event/program		Y

Notes:

[a] No fee for Priority II.

Additional Notes:

* Recreation Fees recovery goals may be adjusted/balanced based on market factors.

City of Milpitas
FINANCE / ADMINISTRATIVE FEES

Fee Description		Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
1	Bond Payoff Calculation	\$187	\$201	\$200	99%		\$13	7%		Y
2	Business License									
	a) New Application Processing Fee	\$50	\$67	\$65	97%	per year	\$15	30%		Y
	b) Processing Fee (renewal)	\$27	\$27	\$27	100%	per year	No Change	No Change		Y
3	Property Damage Invoice Processing Fee	\$30	\$40	\$40	99%	plus replacement cost	\$10	33%		Y

City of Milpitas
CITY CLERK FEES

Fee Description	Current Fee	Cost of Service	Proposed Fee	Proposed Cost Recovery	Charge Basis	Proposed Change (\$)	Proposed Change (%)	Note	Yearly Inflator
1 Public Records Duplication Fees									
a) Standard B&W (up to 11" x 17")	\$0.10		\$0.15	n/a	per page	\$0.05	50%		Y
b) Standard Color (up to 11" x 17")	\$0.10		\$0.35	n/a	per page	\$0.25	250%		Y
c) Large Format (larger than 11" x 17")	\$4.00		\$4.00	n/a	per page	No Change	No Change		Y
d) Requests Requiring Special Programming or Formatting	Actual Cost		Actual Cost		per hour / T&M	No Change	No Change		N



Schedule of User and Regulatory Fees
Effective November 2, 2026

City of Milpitas

Schedule of User and Regulatory Fees

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City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Plan Review		Inspection		Note	Yearly Inflator
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof		
1 Single-Family, Two-Family - New, Additions, Remodels, Additional Dwelling Units					[a],[b]	
200	\$728.00		\$729.00			Y
300	\$1,005.00		\$972.00			Y
400	\$1,282.00		\$1,458.00			Y
500	\$1,559.00	\$166.20	\$1,944.00	\$194.40		Y
1,000	\$2,390.00	\$221.60	\$2,916.00	\$194.40		Y
1,500	\$3,498.00	\$221.60	\$3,888.00	\$291.60		Y
2,000	\$4,606.00	\$183.60	\$5,346.00	\$388.80		Y
2,500	\$5,524.00	\$166.20	\$7,290.00	\$388.80		Y
3,000	\$6,355.00	\$91.80	\$9,234.00	\$170.10		Y
4,000	\$7,273.00	\$110.80	\$10,935.00	\$243.00		Y
5,000	\$8,381.00	\$55.40	\$13,365.00	\$121.50		Y
Tract or Repetitive Fees	25% of Original		Same as Regular			N
Commercial / Multi-Family / Non-Residential - New Construction, Tenant Improvement, and Shell					[a],[b]	
2 A-Assembly - New Construction						
1,500	\$5,334.00	\$73.60	\$12,150.00	\$89.10		Y
7,500	\$9,750.00	\$103.20	\$17,496.00	\$139.32		Y
15,000	\$17,490.00	\$93.97	\$27,945.00	\$149.04		Y
30,000	\$31,585.00	\$17.39	\$50,301.00	\$63.18		Y
75,000	\$39,412.00	\$22.86	\$78,732.00	\$25.60		Y
150,000	\$56,554.00	\$37.40	\$97,929.00	\$65.39		Y
3 A-Assembly - Tenant Improvement						
500	\$2,113.00	\$77.95	\$3,402.00	\$72.90		Y
2,500	\$3,672.00	\$117.76	\$4,860.00	\$116.64		Y
5,000	\$6,616.00	\$103.20	\$7,776.00	\$126.36		Y
10,000	\$11,776.00	\$19.63	\$14,094.00	\$51.84		Y
25,000	\$14,720.00	\$25.07	\$21,870.00	\$21.38		Y
50,000	\$20,988.00	\$30.37	\$27,216.00	\$54.44		Y
4 B - Business - New Construction						
1,000	\$4,780.00	\$103.48	\$8,505.00	\$91.13		Y
5,000	\$8,919.00	\$143.72	\$12,150.00	\$145.80		Y
10,000	\$16,105.00	\$128.13	\$19,440.00	\$155.52		Y
20,000	\$28,918.00	\$23.66	\$34,992.00	\$65.61		Y
50,000	\$36,017.00	\$37.26	\$54,675.00	\$32.08		Y
100,000	\$54,647.00	\$54.85	\$70,713.00	\$70.71		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Plan Review		Inspection		Note	Yearly Inflator
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof		
5 B - Business - Tenant Improvement						
500	\$2,113.00	\$73.60	\$3,888.00	\$72.90		Y
2,500	\$3,585.00	\$114.28	\$5,346.00	\$126.36		Y
5,000	\$6,442.00	\$103.20	\$8,505.00	\$136.08		Y
10,000	\$11,602.00	\$19.63	\$15,309.00	\$58.32		Y
25,000	\$14,546.00	\$25.07	\$24,057.00	\$23.33		Y
50,000	\$20,814.00	\$41.02	\$29,889.00	\$59.38		Y
6 E - Education - New Construction						
500	\$3,118.00	\$123.85	\$4,860.00	\$97.20		Y
2,500	\$5,595.00	\$76.92	\$6,804.00	\$155.52		Y
5,000	\$7,518.00	\$121.24	\$10,692.00	\$174.96		Y
10,000	\$13,580.00	\$22.63	\$19,440.00	\$71.28		Y
25,000	\$16,975.00	\$28.68	\$30,132.00	\$29.16		Y
50,000	\$24,145.00	\$46.93	\$37,422.00	\$74.22		Y
7 E - Education - Tenant Improvement						
100	\$1,282.00	\$277.00	\$1,701.00	\$182.25		Y
500	\$2,390.00	\$239.00	\$2,430.00	\$291.60		Y
1,000	\$3,585.00	\$285.70	\$3,888.00	\$340.20		Y
2,000	\$6,442.00	\$61.20	\$7,290.00	\$121.50		Y
5,000	\$8,278.00	\$69.96	\$10,935.00	\$53.46		Y
10,000	\$11,776.00	\$114.48	\$13,608.00	\$136.08		Y
8 F - Factory - New Construction						
5,000	\$6,996.00	\$23.90	\$9,720.00	\$48.60		Y
25,000	\$11,776.00	\$53.88	\$19,440.00	\$116.64		Y
50,000	\$25,246.00	\$18.08	\$48,600.00	\$34.02		Y
100,000	\$34,284.00	\$10.27	\$65,610.00	\$8.91		Y
250,000	\$49,693.00	\$5.61	\$78,975.00	\$17.01		Y
500,000	\$63,717.00	\$12.67	\$121,500.00	\$24.30		Y
9 F - Factory - Tenant Improvement						
2,000	\$2,944.00	\$21.86	\$3,159.00	\$18.23		Y
10,000	\$4,693.00	\$53.50	\$4,617.00	\$51.03		Y
20,000	\$10,043.00	\$18.88	\$9,720.00	\$18.23		Y
40,000	\$13,818.00	\$10.45	\$13,365.00	\$10.13		Y
100,000	\$20,086.00	\$5.71	\$19,440.00	\$5.59		Y
200,000	\$25,800.00	\$12.55	\$25,029.00	\$12.57		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

		Plan Review		Inspection			
Fee Description Occupancy Classification / Square Footage		Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Note	Yearly Inflator
10 H - Hazardous Materials - New Construction							
1,000		\$5,888.00	\$119.50	\$9,720.00	\$97.20		Y
5,000		\$10,668.00	\$169.68	\$13,608.00	\$165.24		Y
10,000		\$19,152.00	\$154.80	\$21,870.00	\$174.96		Y
20,000		\$34,632.00	\$28.86	\$39,366.00	\$73.71		Y
50,000		\$43,290.00	\$37.61	\$61,479.00	\$30.13		Y
100,000		\$62,094.00	\$61.55	\$76,545.00	\$76.70		Y
11 H - Hazardous Materials - Tenant Improvement							
1,000		\$2,944.00	\$57.58	\$5,103.00	\$54.68		Y
5,000		\$5,247.00	\$84.84	\$7,290.00	\$87.48		Y
10,000		\$9,489.00	\$78.27	\$11,664.00	\$92.34		Y
20,000		\$17,316.00	\$14.43	\$20,898.00	\$39.69		Y
50,000		\$21,645.00	\$18.98	\$32,805.00	\$16.04		Y
100,000		\$31,134.00	\$31.05	\$40,824.00	\$40.82		Y
12 I - Licensed Clinics - New Construction							
2,000		\$3,672.00	\$37.89	\$6,561.00	\$33.41		Y
10,000		\$6,703.00	\$52.47	\$9,234.00	\$53.46		Y
20,000		\$11,950.00	\$48.32	\$14,580.00	\$58.32		Y
40,000		\$21,613.00	\$8.89	\$26,244.00	\$24.71		Y
100,000		\$26,947.00	\$11.60	\$41,067.00	\$9.96		Y
200,000		\$38,549.00	\$18.99	\$51,030.00	\$25.36		Y
13 I - Licensed Clinics - Tenant Improvement							
1,000		\$2,390.00	\$50.65	\$3,888.00	\$54.68		Y
5,000		\$4,416.00	\$68.22	\$6,075.00	\$68.04		Y
10,000		\$7,827.00	\$61.65	\$9,477.00	\$70.47		Y
20,000		\$13,992.00	\$11.66	\$16,524.00	\$32.40		Y
50,000		\$17,490.00	\$15.65	\$26,244.00	\$13.12		Y
100,000		\$25,317.00	\$25.61	\$32,805.00	\$33.41		Y
14 M - Mercantile - New Construction							
500		\$3,118.00	\$123.85	\$5,346.00	\$121.50		Y
2,500		\$5,595.00	\$165.56	\$7,776.00	\$174.96		Y
5,000		\$9,734.00	\$151.00	\$12,150.00	\$194.40		Y
10,000		\$17,284.00	\$28.86	\$21,870.00	\$82.62		Y
25,000		\$21,613.00	\$36.85	\$34,263.00	\$33.05		Y
50,000		\$30,825.00	\$60.30	\$42,525.00	\$84.12		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

		Plan Review		Inspection			
Fee Description Occupancy Classification / Square Footage		Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Note	Yearly Inflator
15 M - Mercantile - Tenant Improvement							
250		\$1,559.00	\$91.80	\$2,187.00	\$97.20		Y
1,250		\$2,477.00	\$162.08	\$3,159.00	\$136.08		Y
2,500		\$4,503.00	\$139.92	\$4,860.00	\$155.52		Y
5,000		\$8,001.00	\$28.17	\$8,748.00	\$64.80		Y
12,500		\$10,114.00	\$34.63	\$13,608.00	\$27.22		Y
25,000		\$14,443.00	\$56.67	\$17,010.00	\$69.28		Y
16 R-1 - Residential Hotels - New Construction							
2,000		\$12,536.00	\$135.93	\$29,160.00	\$157.95		Y
10,000		\$23,410.00	\$190.10	\$41,796.00	\$250.29		Y
20,000		\$42,420.00	\$173.84	\$66,825.00	\$267.30		Y
40,000		\$77,187.00	\$32.12	\$120,285.00	\$113.00		Y
100,000		\$96,458.00	\$42.42	\$188,082.00	\$45.93		Y
200,000		\$138,878.00	\$69.42	\$234,009.00	\$116.90		Y
17 R-1 - Residential Hotels - Tenant Improvement							
500		\$2,944.00	\$129.00	\$6,804.00	\$145.80		Y
2,500		\$5,524.00	\$180.76	\$9,720.00	\$233.28		Y
5,000		\$10,043.00	\$167.62	\$15,552.00	\$247.86		Y
10,000		\$18,424.00	\$30.71	\$27,945.00	\$105.30		Y
25,000		\$23,030.00	\$40.17	\$43,740.00	\$42.77		Y
50,000		\$33,073.00	\$65.73	\$54,432.00	\$108.86		Y
18 R-2 - Residential Multi-Family - New Construction							
2,000		\$26,109.00	\$14.74	\$37,179.00	\$200.48		Y
10,000		\$27,288.00	\$220.57	\$53,217.00	\$318.33		Y
20,000		\$49,345.00	\$201.54	\$85,050.00	\$340.20		Y
40,000		\$89,652.00	\$37.66	\$153,090.00	\$143.78		Y
100,000		\$112,247.00	\$49.35	\$239,355.00	\$58.32		Y
200,000		\$161,592.00	\$80.75	\$297,675.00	\$148.45		Y
19 R-2 - Residential Multi-Family - Tenant Improvement							
500		\$3,775.00	\$170.55	\$7,533.00	\$157.95		Y
2,500		\$7,186.00	\$225.08	\$10,692.00	\$252.72		Y
5,000		\$12,813.00	\$211.94	\$17,010.00	\$272.16		Y
10,000		\$23,410.00	\$38.09	\$30,618.00	\$115.02		Y
25,000		\$29,124.00	\$51.25	\$47,871.00	\$46.66		Y
50,000		\$41,937.00	\$83.87	\$59,535.00	\$118.76		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

		Plan Review		Inspection			
Fee Description Occupancy Classification / Square Footage		Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Note	Yearly Inflator
20	R-4 - Care / Assisted Living - New Construction						
	2,000	\$7,550.00	\$83.99	\$16,038.00	\$85.05		Y
	10,000	\$14,269.00	\$115.31	\$22,842.00	\$136.08		Y
	20,000	\$25,800.00	\$105.97	\$36,450.00	\$145.80		Y
	40,000	\$46,994.00	\$19.65	\$65,610.00	\$61.56		Y
	100,000	\$58,786.00	\$25.80	\$102,546.00	\$25.03		Y
	200,000	\$84,586.00	\$42.22	\$127,575.00	\$63.71		Y
21	R-4 - Care / Assisted Living - Tenant Improvement						
	1,000	\$3,775.00	\$85.28	\$8,505.00	\$91.13		Y
	5,000	\$7,186.00	\$112.54	\$12,150.00	\$145.80		Y
	10,000	\$12,813.00	\$105.97	\$19,440.00	\$155.52		Y
	20,000	\$23,410.00	\$19.05	\$34,992.00	\$65.61		Y
	50,000	\$29,124.00	\$25.63	\$54,675.00	\$26.73		Y
	100,000	\$41,937.00	\$41.93	\$68,040.00	\$68.04		Y
22	S-1 - Storage Moderate Hazard - New Construction						
	1,000	\$4,780.00	\$103.48	\$8,019.00	\$85.05		Y
	5,000	\$8,919.00	\$138.18	\$11,421.00	\$136.08		Y
	10,000	\$15,828.00	\$125.36	\$18,225.00	\$145.80		Y
	20,000	\$28,364.00	\$23.66	\$32,805.00	\$61.56		Y
	50,000	\$35,463.00	\$30.61	\$51,273.00	\$25.27		Y
	100,000	\$50,769.00	\$50.09	\$63,909.00	\$64.33		Y
23	S-2 - Storage Low Hazard - New Construction						
	1,000	\$4,780.00	\$103.48	\$8,019.00	\$85.05		Y
	5,000	\$8,919.00	\$138.18	\$11,421.00	\$136.08		Y
	10,000	\$15,828.00	\$125.36	\$18,225.00	\$145.80		Y
	20,000	\$28,364.00	\$23.66	\$32,805.00	\$61.56		Y
	50,000	\$35,463.00	\$30.61	\$51,273.00	\$25.27		Y
	100,000	\$50,769.00	\$50.09	\$63,909.00	\$64.33		Y
24	S - Storage - Tenant Improvement						
	500	\$2,113.00	\$73.60	\$2,916.00	\$60.75		Y
	2,500	\$3,585.00	\$114.28	\$4,131.00	\$106.92		Y
	5,000	\$6,442.00	\$106.68	\$6,804.00	\$106.92		Y
	10,000	\$11,776.00	\$19.63	\$12,150.00	\$43.74		Y
	25,000	\$14,720.00	\$25.77	\$18,711.00	\$18.47		Y
	50,000	\$21,162.00	\$42.17	\$23,328.00	\$47.01		Y

City of Milpitas

BUILDING SAFETY - CONSTRUCTION

New Construction, Additions, Remodels

Fee Description Occupancy Classification / Square Footage	Plan Review		Inspection		Note	Yearly Inflator
	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof	Base Fee	Fee Per Add'l 100 SF or Fraction Thereof		
25 U - Utility - Misc - New Construction						
150	\$1,646.00	\$167.50	\$1,944.00	\$162.00		Y
750	\$2,651.00	\$159.33	\$2,916.00	\$162.00		Y
1,500	\$3,846.00	\$190.47	\$4,131.00	\$226.80		Y
3,000	\$6,703.00	\$32.71	\$7,533.00	\$91.80		Y
7,500	\$8,175.00	\$50.33	\$11,664.00	\$38.88		Y
15,000	\$11,950.00	\$82.37	\$14,580.00	\$98.97		Y
26 U - Utility - Misc - Tenant Improvement						
100	\$1,005.00	\$160.25	\$1,458.00	\$121.50		Y
500	\$1,646.00	\$183.60	\$1,944.00	\$194.40		Y
1,000	\$2,564.00	\$202.60	\$2,916.00	\$243.00		Y
2,000	\$4,590.00	\$30.60	\$5,346.00	\$97.20		Y
5,000	\$5,508.00	\$47.80	\$8,262.00	\$38.88		Y
10,000	\$7,898.00	\$78.22	\$10,206.00	\$98.97		Y
27 Shell Building						
5,000	\$6,719.00	\$30.39	\$11,664.00	\$25.52		Y
25,000	\$12,797.00	\$40.93	\$16,767.00	\$39.85		Y
50,000	\$23,030.00	\$37.61	\$26,730.00	\$42.77		Y
100,000	\$41,834.00	\$6.88	\$48,114.00	\$18.14		Y
250,000	\$52,154.00	\$9.07	\$75,330.00	\$7.29		Y
500,000	\$74,836.00	\$14.84	\$93,555.00	\$18.56		Y

[a] Amounts exclude City of Milpitas standard permitting fees and State of California fees.

[b] Each fee listed in this schedule is based on the estimated service time required to perform a standard service request. Additional fees may be charged on an hourly basis should the staff time spent exceed the allotted time based on the fees charged.

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
MISCELLANEOUS FEES - RESIDENTIAL				[b]	
Combination Permits					
1	Attached Garage - 1 to 3 cars	\$1,457		[a]	Y
2	Detached Garage or Accessory Structure	\$1,457		[a]	Y
3	Bathroom Remodel (1 or more if inspected at same time)	\$1,059		[a]	Y
4	Kitchen Remodel	\$1,059		[a]	Y
5	Kitchen and Bathroom Remodel (1 or more bathroom if inspected at same time)	\$1,545		[a]	Y
6	Patio Enclosure / Sunroom	\$1,440		[a]	Y
7	Garage conversion	\$1,371		[a]	Y
8	Green House	\$1,128		[a]	Y
9	Patio Cover	\$1,128		[a]	Y
10	Window, Skylight or Exterior Door Replacement				
	a) Frame to remain (Retrofit) (1-9)	\$209		[a]	Y
	b) Frame to remain (Retrofit) (10+)	\$330		[a]	Y
	c) Frame replaced (1-3)	\$330		[a]	Y
	d) Frame replaced (4-10)	\$573		[a]	Y
	e) Frame replaced (11-20)	\$816		[a]	Y
	f) Frame replaced (20+)	\$1,059		[a]	Y
Miscellaneous Construction					
11	Wood Fences over 7' high, concrete / masonry over 4' high	\$850		[a]	Y
12	Sound Wall	\$1,492		[a]	Y
13	Structural Roof Conversions	\$1,232		[a]	Y
14	AC Condenser Replacement	\$304			Y
15	Furnace Replacement	\$365			Y
16	Water Heater Replacement	\$365			Y
17	Solar Permit				
	a) 15kW or less	\$450			N
	b) Above 15kW – base	\$450	base		N
	c) Above 15kW – per kW	\$15	per kW		N
18	Solar Thermal				
	a) 10kWth or less	\$450			N
	b) 10kWth or more - base	\$450	base		N
	c) 10kWth or more – per kWth	\$15	per kWth		N

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
19 Fireplace reconstruction	\$712		[a]	Y
20 Siding/stucco replacement	\$608			Y
21 Seismic Strengthening	\$712		[a]	Y
22 Demolition Permit				
a) Accessory Structures Demolition	\$399		[a]	Y
b) Interior Non-Structural Demolition	\$469		[a]	Y
c) Total Building Demolition	\$712		[a]	Y
23 Miscellaneous Construction Not Listed				
a) Permit Issuance Fee	\$174			Y
b) Plan Review and Inspection	See hourly rates for Plan Review and Inspection			N
MISCELLANEOUS FEES - MULTI-FAMILY AND COMMERCIAL			[b]	
Miscellaneous Construction				
24 Permit Issuance Fee	\$174			Y
25 Equipment Installation				
a) Each Type - Plan Review	\$554			Y
b) Each 2 pieces or fraction thereof - Inspection	\$486			Y
26 Racks, each type				
a) Each Rack Type	\$919			Y
b) Each 5 racks or fraction thereof	\$243			Y
27 Roof Screen	\$1,162		[a]	Y
28 Fences	\$1,162		[a]	Y
29 Monument Sign				
a) Each Piece - Not Electrical	\$763		[a]	Y
b) Each Piece - Including Electrical	\$954		[a]	Y
30 Wall Mounted Sign				
a) Not Electrical	\$520		[a]	Y
b) Including Electrical	\$711		[a]	Y
31 Solar Permit				
a) 50kW or less	\$1,000			N
b) 50kW – 250kW – Base	\$1,000	base		N
c) 50kW – 250kW – per kW above 50kW	\$7	per kW		N
d) Above 250kW – base	\$2,400	base		N
e) Above 250kW – per kW	\$5	per kW		N

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
32 Solar Thermal				
a) 30kWth or less	\$1,000			N
b) 30kWth – 260kWth – Base	\$1,000	base		N
c) 30kWth – 260kWth – per kWth above 30kWth	\$7	per kWth		N
d) 260+ kWth – Base	\$2,610	base		N
e) 260+ kWth – per kWth above 260kWth	\$5	per kWth		N
33 Demolition Permit				
a) Equipment Demolition:				
i) First 4 Pieces	\$260		[a]	Y
ii) Fee for Each Additional 4 Pieces or Fraction Thereof	\$122		[a]	Y
b) Interior Non-Structural Demolition	\$625		[a]	Y
c) Total Building Demolition	\$868		[a]	Y
34 Window, Skylight or Exterior Door Replacement				
a) Plan Check Fee - (min. 1 hr) - per hour	\$277	per hour		Y
b) Inspection Fee				
i) up to 2	\$486			Y
ii) 3-10	\$972			Y
iii) above 10 - base	\$972			Y
iv) above 10 - each 10 or fraction thereof	\$243			Y
35 Kiosks				
a) Plan Check Fee - (min. 1 hr) - per hour	\$277	per hour		Y
b) Inspection Fee				
i) up to 200 sq ft	\$243			Y
ii) above 200 sq ft	\$486			Y
36 Miscellaneous Construction Not Listed	See hourly rates for Plan Review and Inspection			N
Other Plan Check, Inspection and Permit Fees				
37 Certificate of Occupancy (inspection, record review, printing)				
a) Tenant space up to 400 sq ft	\$252			Y
b) Tenant space over 400 sq ft	\$738			Y
38 Temporary Building Permit Issuance ***	\$451			Y
39 Accessibility Exception Request	\$641			Y
40 Christmas Tree Lot	\$330			Y
41 Faithful Performance Bond Execution	\$364			Y
42 Inspection Investigation Fee (Construction w/o Permits, Per MMC)	100% of insp. Fee			N

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
RESIDENTIAL, MULTI-FAMILY, COMMERCIAL, AND MEP FEES				[b]	
Grading					
43	Permit Issuance Fee	\$174			Y
44	Plan Check				
	a) 0 - 10,000 Cubic Yards	\$554			Y
	b) Add for each additional 10,000 CY or fraction thereof	\$139			Y
	c) Over 100,000 Cubic Yards	\$1,801			Y
	d) Over 100,000 Cubic Yards – add for each additional 10,000 CY or fraction thereof	\$69			Y
45	Inspection				
	a) 0 - 10,000 Cubic Yards	\$851			Y
	b) Add for each additional 10,000 CY or fraction thereof	\$122			Y
	c) Over 100,000 Cubic Yards	\$1,944			Y
	d) Over 100,000 Cubic Yards – add for each additional 10,000 CY or fraction thereof	\$61			Y
Site Improvement					
46	Permit Issuance	\$174			Y
47	Plan Check				
	a) 0-50,000 SF	\$2,770			Y
	b) 50,001-100,000 SF	\$3,878			Y
	c) 100,001-500,000 SF	\$11,080			Y
	d) 500,001+ SF	\$1.66	per 100 SF		Y
48	Inspection				
	a) 0-50,000 SF	\$3,888			Y
	b) 50,001-100,000 SF	\$5,832			Y
	c) 100,001-500,000 SF	\$12,150			Y
	d) 500,001+ SF	\$2.03	per 100 SF		Y
Pools or Spas					
49	Swimming Pool or Spa				
	a) Private	\$1,127		[a]	Y
	b) Public	\$2,167		[a]	Y
50	Swimming Pool and Spa Together				
	a) Private	\$1,890		[a]	Y
	b) Public	\$2,930		[a]	Y
51	Existing Pools / Spas – Repair or Renovation	\$607		[a]	Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Re-Roofing			[c]	
52 Single-Family and Two-Family	\$695			Y
53 Multi-Family, Residential, each building				
a) Roof Area - 1,000 SF or Less	\$695			Y
b) Roof Area - 1,001 SF - 3,500 SF	\$1,181			Y
c) Roof Area - 3,501 SF - 7,000 SF	\$1,788			Y
d) Roof Area - 7,001 SF - 14,000 SF	\$2,882			Y
e) Roof Area - 14,001+ SF				
i) Base Fee for First 14,000 SF Roof Area	\$2,882			Y
ii) Fee for Each Additional 100 SF or Fraction Thereof	\$16			Y
54 Commercial/Industrial, each building				
a) Roof Area - 1,000 SF or Less	\$938			Y
b) Roof Area - 1,001 SF - 3,500 SF	\$1,545			Y
c) Roof Area - 3,501 SF - 7,000 SF	\$2,274			Y
d) Roof Area - 7,001 SF - 14,000 SF	\$3,611			Y
e) Roof Area - 14,001+ SF				
i) Base Fee for First 14,000 SF Roof Area	\$3,611			Y
ii) Fee for Each Additional 100 SF or Fraction Thereof	\$20			Y
Miscellaneous Fee				
55 Change of Address	\$694	per request		Y
56 Extension of Plan Check	\$87			Y
57 Extension of Permit	\$87			Y
58 Records Research	\$87			Y
59 Records Research with Documentation, per Address	\$131	per address		Y
60 Report of Monthly or Yrly Bldg Permit Activity (no charge to public agencies)	\$87			Y
61 Re-issuing of Building Permit Card	\$58			Y
62 Alternative Materials or Methods of Construction	\$831			Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Other Plan Check and Inspection Permit Fees				
63 Inspection Investigation Fee (Construction w/o Permits, Per MMC)	100% of insp. Fee			N
64 Reinspection Fee - per reinspection	\$365	per reinspection		Y
65 Revision / Deferred Submittal Plan Check - per hour	\$277	per hour		Y
66 Digitizing				
a) Document Size up to 11"x17"				
i) 1st 10 pages	\$1	each		N
ii) Each additional page	\$0.50	each		N
b) Document Size Larger than 11"x17"	\$4	per page		N
Hourly Rates				
67 Hourly Rates - Normal Business Hours				
a) Plan Check	\$277			Y
b) Inspection	\$243			Y
68 Hourly Rates - Afterhours (Overtime)				
a) Plan Check	\$332			Y
b) Inspection	\$292			Y
Standard Permitting Fees				
69 Community Planning Fee - % of Building Permit	5.00%			N
70 Technology Fee - % of Building Permit	3.80%			N
State Fees				
71 Strong Motion Instrumentation and Seismic Hazard Mapping Fees: *				
a) Category 1 - Residential - Min Fee = \$0.50	Val. x 0.00013			N
b) Category 2 - All Other Buildings - Min Fee = \$0.50	Val. x 0.00028			N
72 Building Standards Administration Special Revolving Fund: *				
Permit Valuation				
a) \$1-\$25,000	\$1			N
b) \$25,001 - \$50,000	\$2			N
c) \$50,001 - \$75,000	\$3			N
d) \$75,001 - \$100,000	\$4			N
e) Every \$25,000 or fraction thereof above \$100,000	\$1			N

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
ELECTRICAL				
73 Electrical Permit Issuance **	\$174			Y
74 Plan Check Fee - (min. 1 hr) - per hour	\$277	per hour		Y
75 Receptacle Outlets, multiple on one circuit				
a) First 20	\$122			Y
b) Each additional 20	\$122			Y
76 Receptacles or Junction box, fed from dedicated circuit - each	\$61	each		Y
77 Switches, Dimmers, Occupancy sensors, Sensor Power Packs, etc.				
a) First 20	\$122			Y
b) Each additional 20	\$122			Y
78 Lighting Fixtures, Sockets				
a) First 20	\$122			Y
b) Each additional 20	\$122			Y
79 Track lighting with fixtures - per linear feet	\$1.22			Y
80 Pole/Platform-Mounted/Theatrical Fixtures - each	\$61	each		Y
81 Circuit Breaker Panel/Subpanel, Lighting Control Panel – each	\$122	each		Y
82 Residential Equipment, hardwired from dedicated circuit – each	\$61	each		Y
83 Commercial Equipment, hardwired from dedicated circuit – each	\$122	each		Y
84 Power pole for cubicles	\$61	each		Y
85 Generator				
a) Portable	\$122	each		Y
b) 10 kW or less	\$122	each		Y
c) More than 10 kW	\$182	each		Y
86 Electrical vehicle charging station				
a) Residential	\$61			Y
b) Commercial	\$122			Y
87 HEPA filter				
a) First 20	\$122			Y
b) Each additional 20	\$122			Y
88 Time Clock	\$61	each		Y
89 Sign, lighting systems from one branch circuit				
a) First one	\$243			Y
b) Each additional	\$122			Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
90 Services				
a) Not over 200 amps (new or change) – each	\$122	each		Y
b) 201 amps - 1000 amps (new or change)	\$243	each		Y
c) Over 1000 amperes (new or change)	\$304	each		Y
91 Power Apparatus (UPS) or Transformer	\$122	each		Y
92 Miscellaneous Apparatus, Conduits & Conductors	\$122	each		Y
93 Construction Temporary Power Pole with service panel, each pole	\$122			Y
94 Elevator	\$243	each		Y
95 Special Circuitry, per circuit	\$122	per circuit		Y
MECHANICAL				
96 Mechanical Permit Issuance **	\$174			Y
97 Plan Check Fee (min.1 hr)	\$277	per hour		Y
98 Install Furnace or Heater, Residential (not including duct work)	\$182			Y
99 Install, Relocate, Replace Flue Vent (not including with appliance)	\$122			Y
100 Install Hood with Mechanical Exhaust				
a) Residential	\$122			Y
b) Commercial	\$243			Y
101 Duct Work per VAV or Single Zone System	\$122			Y
102 Install Industrial-type Incinerator	\$182			Y
103 Install				
a) Boiler (each)	\$122	each		Y
b) Condenser, VAV or Fan Coil 0-5 ton <2000 CFM (each)	\$122	each		Y
c) Condenser, VAV or Fan Coil Over 5 ton >2000 CFM (each)	\$243	each		Y
104 Roof-top HVAC package unit including duct work	\$243			Y
105 Dryer vent				
a) Dryer vent, residential	\$122	each		Y
b) Dryer vent, commercial	\$243	each		Y
106 Pump	\$182	each		Y
107 Install/Replace Fire or Fire/Smoke Dampers - 5 (or portion of)	\$122			Y
108 Non-portable Evaporative Cooler	\$182			Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
109 Single Bathroom Ventilation Fan and Duct	\$122			Y
110 Ventilation System, not HVAC	\$122			Y
111 Other Regulated Appliance	\$182			Y
112 Process Piping				
a) Hazardous process piping system				
i) First 4 outlets	\$182			Y
ii) Over 4 outlets - per outlet	\$122	per outlet		Y
b) Non-Hazardous process piping system				
i) First 4 outlets	\$182			Y
ii) Over 4 outlets - per outlet	\$122	per outlet		Y
PLUMBING				
113 Plumbing Permit Issuance **	\$174			Y
114 Plan Check Fee (min. 1 hr) - per hour	\$277	per hour		Y
115 Plumbing Fixtures				
a) First 5 traps (or portion of)	\$182			Y
b) Each Additional trap	\$122			Y
116 Building Drain or Sewer (New or Replacement)	\$182			Y
117 Rain Water Drainage System	\$122			Y
118 Water Heater and Vent	\$182			Y
119 Gas Piping System - (each appliance)	\$122			Y
120 Automatic Gas Shut-off Device (Seismic or Excess Flow) if not part of new gas piping system	\$122			Y
121 Industrial Waste Pre-Treatment System	\$243			Y
122 Grease Trap	\$182			Y
123 Grease Interceptor	\$243			Y
124 Water System Installation				
a) New	\$365			Y
b) Re-pipe	\$243			Y
125 Pump	\$182	each		Y
126 Repair/Alteration of Drain/Vent	\$182			Y
127 Landscape Sprinkler System	\$182			Y
128 Landscape Reclaim Water	\$304	per valve		Y

City of Milpitas

BUILDING SAFETY - MISCELLANEOUS

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
129 Backflow Protection				
a) first 5	\$182			Y
b) each additional 5 (or portion of)	\$122			Y
130 Reclaim Water System, No Irrigation	\$365			Y
131 Private Sewage Disposal System	\$122			Y

* Fees set by the State of California and are subject to change.

** Permit issuance fee. When more than one specialty permit (electrical, mechanical, plumbing) is concurrently issued to one applicant, only one permit issuance fee will be charged.

*** Full permit fees of the main building permit shall be paid prior to issuance of the temporary building permit.

[a] 60% of the permit fee is considered inspection fee for the purpose of processing refund request and applying inspection investigation fee.

[b] Each fee listed in this schedule is based on the estimated service time required to perform a standard service request. Additional fees may be charged on an hourly basis should the staff time spent exceed the allotted time based on the fees charged.

[c] Re-roofing fees assume no plan check required. Additional plan check fees will be charged on an hourly basis, should plan check be required.

City of Milpitas

BUILDING SAFETY - MOBILEHOME PERMIT

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Mobilehome Permit Fees					
1	Permit Issuance Fee	\$174	each		Y
2	Permits with HCD Standard Plan Approval:	See Item A	each		N
	a) Mobile Home (MH) Unit Installation	\$196 min.	each		N
	b) MH Unit Foundation System	Table B	each		N
	c) Accessory building and structure, and building component	Table B	each	[a]	N
	d) Plumbing	Table C	each		N
	e) Mechanical	Table D	each		N
	f) Electrical	Table E	each		N
	g) Plan Review	N/A	each		N
3	Permits without HCD Standard Plan Approval:	See Item A	each		N
	a) Accessory building and structure, and building component	Table B	each	[a]	N
	b) Plumbing	Table C	each		N
	c) Mechanical	Table D	each		N
	d) Electrical	Table E	each		N
	e) Plan Review				
	i) First submittal	1/2 of total permit	each	[b]	N
	ii) Each resubmittal				
	a) First Hour	\$203	each	[b]	N
	b) Second and subsequent whole hour	\$92	each	[b]	N
	c) Each 1/2 hour, or fractional part thereof	\$46	each	[b]	N
Item A					
4	Permit Fees				
	a) First Inspection:				
	i) First Hour	Sum of all categories (\$196 min.)	each		N
	ii) Second and subsequent whole hour	\$82	each		N
	iii) Each 1/2 hour, or fractional part thereof	\$41	each		N
	b) Re-Inspection (Each subsequent inspection)				
	i) First Hour	\$178	each		N
	ii) Second and subsequent whole hour	\$82	each		N
	iii) Each 1/2 hour, or fractional part thereof	\$41	each		N

City of Milpitas

BUILDING SAFETY - MOBILEHOME PERMIT

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Table B: Construction Permit Fee				
5 Total Valuation				
a) Up to \$2,000	\$45.00	each		N
b) \$2,001 - \$25,000				
i) Base fee for first \$2,000	\$45.00	each		N
ii) Fee for each additional \$1,000 or fraction thereof, up to \$25,000	\$9.00	each		N
c) \$25,001 - \$50,000				
i) Base fee for first \$25,000	\$252.00	each		N
ii) Fee for each additional \$1,000 or fraction thereof, up to \$50,000	\$6.50	each		N
d) \$50,001 - \$100,000				
i) Base fee for first \$50,000	\$414.50	each		N
ii) Fee for each additional \$1,000 or fraction thereof, up to \$100,000	\$4.50	each		N
e) \$100,001 - \$500,000				
i) Base fee for first \$100,000	\$639.50	each		N
ii) Fee for each additional \$1,000 or fraction thereof, up to \$500,000	\$3.50	each		N
f) \$500,001 - \$1,000,000				
i) Base fee for first \$500,000	\$2,039.50	each		N
ii) Fee for each additional \$1,000 or fraction thereof, up to \$1,000,000	\$3.00	each		N
g) \$1,000,001 and Greater				
i) Base fee for first \$1,000,000	\$3,539.50	each		N
ii) Fee for each additional \$1,000 or fraction thereof	\$2.00	each		N

City of Milpitas
BUILDING SAFETY - MOBILEHOME PERMIT

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Table C: Plumbing Permit Fee					
6	Each plumbing fixture, trap, set of fixtures on one trap, including water, drainage piping and backflow protection thereof	\$3.00	each		N
7	Each building sewer	\$14.00	each		N
8	Each private sewage disposal system	\$14.00	each		N
9	Each water heater and/or vent	\$7.00	each		N
10	Each gas piping system for one to five outlets	\$7.00	each		N
11	Each gas piping system for six or more outlets, per outlet	\$1.50	each		N
12	Each gas regulator	\$1.50	each		N
13	Each water branch service outlet or outlets at the same location, or each fixture supply	\$1.00	each		N
14	Each installation of water treating equipment	\$7.00	each		N
15	Alteration or repair of water piping or water treating equipment	\$7.00	each		N
16	Alteration or repair of drainage or vent piping	\$7.00	each		N
17	Each lawn sprinkler system on any one meter, including backflow protection devices	\$7.00	each		N
18	Vacuum breakers or backflow protective devices on tanks, vats, etc., or for installation on unprotected plumbing fixtures:				
	a) One to five	\$7.00	each		N
	b) Over five, each additional	\$3.00	each		N

City of Milpitas

BUILDING SAFETY - MOBILEHOME PERMIT

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Table D: Mechanical Permit Fee					
19	The installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance, up to and including 100,000 BTU	\$14.00	each		N
20	The installation or relocation of each forced-air or gravity-type furnace or burner, including ducts and vents attached to such appliance over 100,000 BTU	\$21.00	each		N
21	The installation or relocation of each floor furnace, including vent	\$7.00	each		N
22	The installation or relocation of each suspended heater, recessed wall heater or floor-mounted unit heater	\$7.00	each		N
23	The installation, relocation or replacement of each appliance vent installed and not included in an appliance permit	\$7.00	each		N
24	The repair of, alteration of, or addition to each heating appliance, refrigeration unit, comfort cooling unit, absorption unit, or each comfort heating, cooling, absorption, or evaporative cooling system, including installation of controls	\$14.00	each		N
25	The installation or relocation of each boiler or compressor to and including three horsepower or each absorption system to and including 100,000 BTU	\$14.00	each		N
26	The installation or relocation of each boiler or compressor over three horsepower or each absorption system over 100,000 BTU	\$21.00	each		N
27	Each air handling unit, including ducts attached thereto	\$7.00	each		N
28	For each evaporative cooler other than portable type	\$7.00	each		N
29	For each vent fan connected to a single duct	\$3.00	each		N
30	For each vent ventilation system which is not a portion of any heating or air conditioning system authorized by a permit	\$7.00	each		N
31	Each installation of equipment regulated by this chapter for which no other fee is listed	\$7.00	each		N

City of Milpitas

BUILDING SAFETY - MOBILEHOME PERMIT

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Table E: Electrical Permit Fee					
32	Each wiring outlet where current is used or controlled, except services, sub-feeders and meter outlets	\$0.35	each		N
33	Each fixture, socket or other lamp holding device	\$0.35	each		N
34	Each motor of not more than 50 h.p.	\$4.25	each		N
35	Each motor of more than 50 h.p.	\$10.50	each		N
36	Each mercury arc lamp and equipment	\$1.00	each		N
37	Each range, water heater or clothes dryer installation	\$7.00	each		N
38	Each space heater or infrared heat installation	\$1.50	each		N
39	Each stationary cooking unit, oven, or space heater	\$1.50	each		N
40	Each garbage disposer, dishwasher, or fixed motor-operated appliance not exceeding ½ h.p.	\$1.50	each		N
41	Working light in buildings in course of construction or undergoing repairs, or where temporary lighting is to be used	\$3.00	each		N
42	Each incandescent electric sign	\$1.50	each		N
43	Electric signs or outline lighting, luminous gas type with: 1 to 4 transformers	\$3.00	each		N
44	Additional transformers, each	\$0.35	each		N
45	Each rectifier and synchronous converter, per kw.	\$0.35	each		N
46	Each additional circuit for a mobile home accessory building or structure or other electrical equipment	\$1.50	each		N
47	Each service:				
	a) 600 volts or less, not over 200-amperes	\$7.00	each		N
	b) 600 volts or less, over 200-amperes	\$10.00	each		N
	c) Over 600 volts	\$14.00	each		N
48	Each installation of equipment regulated by this chapter for which no other fee is listed	\$7.00	each		N

[a] Accessory buildings and structures, and building components includes but not limited to: awning; deck larger than 12 SF, cabana, ramada, private garage, fence over 6 ft. in height, windbreak over 6 ft. in height.

[b] Only one plan review fee will be charged for identical structures submitted in the same permit application.

City of Milpitas

PLANNING

Fee Description	Fee	Note	Yearly Inflator
Special Events			
1 Application Type			
a) Minor Special Events			
i) Permit Fee - Application Complete and Received by Standard Deadline	\$284		Y
ii) Permit Fee - Late Filing	\$426		Y
b) Regular Special Events			
i) Permit Fee - Application Complete and Received by Standard Deadline	\$1,106		Y
ii) Permit Fee - Late Filing	\$1,659		Y
c) Major Special Events			
i) Permit Fee - Application Complete and Received by Standard Deadline	\$6,907		Y
ii) Permit Fee - Late Filing	\$10,361		Y
2 Conceptual Review - Planning Staff Only - per meeting	\$688		Y
Pre-Application Review			
3 Single Family Districts	\$4,062		Y
4 Multi-Family / Non-Residential	\$11,628		Y
Lot Line Adjustment / Parcel Merger			
5 Lot Line Adjustment / Parcel Merger	See Engineering Fees		N
Tentative Maps			
6 Parcel Map	\$15,508		Y
7 Tract Map	\$23,008		Y
Minor Site Development			
8 Over the Counter Review (Per Hour)			
a) Planning Review	\$275		Y
b) Land Development Review (if required)	\$250		Y
9 Staff Review - Planning Director, including Telecommunication Facility, Minor	\$3,740	[a],[b]	Y
10 Zoning Administrator			
a) Staff Review - Zoning Administrator	\$6,690	[a],[b]	Y
b) Staff Review Hillside - Zoning Administrator	\$7,704	[a],[b]	Y
11 Planning Commission / City Council	\$10,485	[a],[b]	Y
Site Development			
12 Requiring PC / CC Approval	\$23,012	[a],[b]	Y
13 Zoning Administrator	\$17,377	[a],[b]	Y
14 SB35 Housing Project	\$13,473	[a],[b]	Y

City of Milpitas

PLANNING

Fee Description		Fee	Note	Yearly Inflator
Minor Conditional Use Permit				
15	Staff Review	\$1,926	[a],[b]	Y
16	Zoning Administrator	\$3,646	[a],[b]	Y
Conditional Use Permit				
17	Single Family Districts	\$5,102	[a],[b]	Y
18	Multi-Family / Non-Residential, Including Telecommunication Facility, Major	\$17,629	[a],[b]	Y
Temporary Uses				
19	Temporary Use Permit	\$1,100	[a],[b]	Y
Signs				
20	Major Sign Permit	\$4,861	[a],[b]	Y
21	Minor Sign Permit- Zoning Administrator (freestanding signs greater than 6 feet and less than 10 feet in height)	\$3,786	[a],[b]	Y
22	Minor Sign Permit - Planning Director (all other Minor Sign Permits)	\$413		Y
23	Temporary Sign Permit (Including Banners)	\$155		Y
24	Sign Program	\$8,250	[a],[b]	Y
Variance				
25	Single Family Districts	\$4,908	[a],[b]	Y
26	Multi-Family / Non-Residential	\$7,487	[a],[b]	Y
Minor Deviation				
27	Minor Deviation	\$3,575	[a],[b]	Y
Reasonable Accommodation				
28	Reasonable Accommodation Request	\$688		Y
Short-Term Rental				
29	Short-Term Rental - Initial	\$688		Y
30	Short-Term Rental - Renewal	\$688		Y

City of Milpitas

PLANNING

Fee Description	Fee	Note	Yearly Inflator
Deposit-Based Fees			
31 Amendments, General Plan, Zoning, or Specific Plan (Map or Text)	\$20,000	[a],[b]	N
32 Development Agreements	\$20,000	[a],[b]	N
33 Environmental Review/CEQA clearance	\$35,000	[a],[b]	N
34 Planned Unit Development	\$20,000	[a],[b]	N
35 Billboards	\$2,500	[a],[b]	N
36 Initial Deposit to Offset Costs of Legal Review, Peer Review, Other Agency Review, etc.	\$5,000	[b]	N
Miscellaneous			
37 Amendments/Modifications to an Existing Permit			
a) Permit Adjustment	25% of permit fee		N
b) Permit Amendment	50% of permit fee		N
38 Appeal To Planning Commission/City Council	\$5,156	[a],[b]	Y
39 Time Extensions	\$1,650	[a]	Y
40 Public Noticing	\$825		Y
41 Copies - per page	\$0.10		N
42 Planning Research - per hour	\$275		Y
43 Zoning Conformance Letter	\$344		Y
44 Home Occupation Permit / Business License Review	\$69		Y
45 Tree Removal	\$413		Y
46 Building Plan Check (Per Hour)	\$275		Y
47 Building Inspection (Per Inspection)	\$275		Y
48 Certificate of Occupancy Review	\$206		Y
49 Permit Compliance Review	\$619		Y
50 Letter of Determination / Interpretation	\$1,169		Y
51 Pass Through for Legal Fees	Pass - Through		N
52 Vendor Payment Processing Fees	Pass - Through	[c]	N
53 Technology Fee - % of Permit	3.80%		N

City of Milpitas

PLANNING

Fee Description	Fee	Note	Yearly Inflator

[a] A public noticing fee will apply to this permit application.

[b] Legal fees will be billed separately through an established PJ.

[c] For payments made using vendor portal services, the applicant shall be responsible for processing fees charged by the vendor, as applicable.

General notes applicable to all fees

[d] As an alternative to the fixed fee amount shown, staff may bill on a time and materials basis, determined by the planning hourly rate, when projects costs are likely to vary significantly from adopted fee amount. In these instances, a deposit may be requested to bill against.

[e] Deposit account (PJs): This deposit will be collected in addition to any other deposits or fixed fees. Any unused deposit amounts will be returned to the applicant. Deposit accounts provide full cost recovery to the City. The cost of staff time is based on fully-burdened hourly rates, including overhead. No flat fees will be added. Overhead includes clerical, facilities, equipment, and other service costs.

[f] Staff will determine the initial deposit based on the project's scope and the typical cost to process the application.

[g] When two or more applications are filed and processed concurrently, the required fee amount will be the largest of the applications, plus 25% of each additional permit.

[h] The 3.8% Technology Charge applies to all deposits and fees, except CEQA.

[i] A 2.4% credit card processing fee applies to all fees paid with a credit card.

City of Milpitas

PLANNING - NEIGHBORHOOD BEAUTIFICATION

Fee Description		Fee	Note	Yearly Inflator
Neighborhood Beautification				
1	1st Violation to Neighborhood Beautification Ordinance	\$100		N
2	2nd Violation to Neighborhood Beautification Ordinance	\$200		N
3	3rd or More Violations to Neighborhood Beautification Ordinance	\$500		N
4	Delinquency Penalty on Neighborhood Beautification Ordinance	\$25		N
5	Graffiti Abatement	Actual Cost		N
6	Public Nuisance Abatement	As defined in Municipal Code Sections		N

City of Milpitas

ENGINEERING

Fee Description		Fee	Note	Yearly Inflator
1	Minor Encroachment Permit	\$2,000		Y
2	Lot Line / Merger Adjustment	\$5,000	[a]	Y
3	Street / Alley Easement Vacation	\$5,000		Y
Building Permit Reviews:				
4	Single Family New Building / Addition	\$750		Y
5	Commercial / Industrial New Building	\$2,500		Y
6	Commercial / Industrial Tenant Improvement	\$750		Y
7	Commercial / Industrial Site Improvement (including Grading)	\$2,500		Y
8	All Other Permit Application Reviews (per hour)	\$250		Y
Engineering Plan Review: (Construction Cost Estimate)				
9	Up to \$50,000	\$7,500		Y
10	\$50,001-\$200,000	\$15,000		Y
11	\$200,001-\$500,000	\$22,500		Y
12	Over \$500,001	\$30,000		Y
Engineering Inspection: (Construction Cost Estimate)				
13	Up to \$50,000	\$5,000		N
14	Greater than \$50,000 - % of Construction Cost Estimate	10%		N
15	Technology Fee - % of Permit	3.80%		N

[a] Fee includes Planning and Engineering review.

City of Milpitas

UTILITIES SERVICES FEES

Fee Description		Fee	Note	Yearly Inflator
Utilities				
1	Service Request and Basic Inspection	\$148		Y
2	Discontinuance of Service	\$148		Y
3	Meter Removal / Installation			
	a) Less than 2"	\$180		Y
	b) Greater than or Equal to 2"	\$360		Y
4	Water Meter Testing			
	a) Residential Deposit	\$180	[a]	Y
	b) Commercial Deposit	\$360	[a]	Y
5	Hydrant Flow Test			
	a) Two or Fewer Hydrants	\$705		Y
	b) Three Hydrants	\$874		Y
	c) Four Hydrants	\$1,043		Y
6	Sewer Lateral Inspection			
	a) Visual Inspection	\$209		Y
	b) Video Inspection - Residential	\$442		Y
	c) Video Inspection - Commercial (per hour)	\$413		Y
7	Backflow Prevention Assembly Service Fee	\$203	[b]	Y
8	Backflow Prevention Assembly Administration / Record Filing Fee	\$60	[c]	Y
9	Backflow Installation, Removal, and Relocation Testing Company Fee (per company)	\$264	[d]	Y
10	Backflow Tag and Geolocating Fee	\$305 plus \$2 per assembly	[e]	Y
11	Sewer Flow Adjustment Application (Initial Application and Annual Renewal) (per hour)	\$270		Y
12	Late Payment Penalty Fee (% of amount due)	5.00%		N
13	Final Notice Penalty	5.00%		N
14	Discontinuance of Service Warning Notice	\$10		Y
15	Restoration Fee - During Normal Operating Hours			
	a) Low Income	\$59	[f],[g]	Y - Note
	b) All Others	\$148		Y
16	Restoration Fee - During Non-Operational Hours			
	a) Low Income	\$178	[f],[g]	Y - Note
	b) All Others	\$418		Y

City of Milpitas

UTILITIES SERVICES FEES

Fee Description	Fee	Note	Yearly Inflater

- [a] If meter is not accurate, deposit is refunded. If meter has been tampered with, the resident or business is charged for the repair.
- [b] For customers that fail to independently have their assemblies inspected, and/or tested, and/or their sites assessed. Includes City provided services of any one or combination of the following: Inspections, Testing, Hazard Assessments, and Shut-Down Tests.
- [c] For customer that fail to independently have their annual assembly(s) information electronically uploaded into City database. Includes City provided service to upload assembly information instead of customer retained third party provider.
- [d] This is an annual fee assessed to qualified contractors who wish to conduct backflow testing and/or hazard assessments in the City.
- [e] One-time fee. Tag will be affixed on all new backflow prevention assemblies upon passing initial inspection and geolocated. Does not apply to existing assemblies.
- [f] For residential customers who demonstrate to the City a household income below 200 percent of the federal poverty line, the City will limit any service restoration charges during normal operating hours to fifty dollars (\$50), and during nonoperational hours to one hundred fifty dollars (\$150) for 2020. The limits will only apply if the City's service restoration charges actually exceed these amounts. These limits are subject to an annual adjustment for changes in the Bureau of Labor Statistics' Consumer Price Index for All Urban Consumers (CPI-U) beginning January 1, 2021.
- [g] Fee based on 2020 base year amount, adjusted to account for authorized annual inflationary adjustments detailed in footnote [f].

City of Milpitas

UTILITIES SERVICES FEES

Fee Description	Fee	Note	Yearly Inflator
Public Sewers			
1 Delinquent Fees	varies	[a]	N
2 Civil Penalties	varies	[b]	N
3 Unmetered Wastes	varies	[c]	N
4 Authority to Disconnect	varies	[d]	N
5 Payment for Sewage Services	varies	[e]	N
6 Inspection Fees	varies	[f]	N
7 House Lateral Fee	varies	[g]	N
8 Disbursements of Short Side Charges	varies	[h]	N
FOG and Stormwater Industrial/Commercial Violation			
9 First Citation	\$500	[i]	N
10 Second Citation	\$625	[i]	N
11 Third Citation	\$750	[i]	N
Water Service Charges			
12 Construction Water	\$2,000		N
13 Deposits for service	\$150		N

[a] See City of Milpitas Municipal Code Section VIII-2-5.33. Permit applications are due ninety (90) days prior to commencing discharge to the sanitary system or expiration of existing discharge permit. Any person who fails to file an application for a discharge permit prior to discharge shall be assessed a penalty for delinquent filing as follows: (1) Up to and including thirty (30) days delinquency, the penalty shall be fifty percent (50%) of the permit fee. More than thirty (30) days but less than one year delinquency, the penalty shall be one hundred percent (100%) of the permit fee. (3) More than one(1) year delinquency, the penalty shall be one thousand percent (1,000%) of the permit fee. (b) Such penalties shall be in addition to any other penalties or fines that may be levied, and in addition to any other remedies that the City may have with respect to the discharge.

[b] See City of Milpitas Municipal Code Section VIII-2-5.50. Any person who intentionally, accidentally, or negligently violates any provisions of this Chapter, any provision of any permit issued pursuant to this Chapter, or who intentionally, accidentally, or negligently discharges waste or wastewater which causes pollution, or violates any effluent limitation, national standard of performance, or national pretreatment or toxicity standard, shall be civilly liable to the City in a sum up to ten thousand dollars (\$10,000) for the first day in which such violation occurs, up to twenty-five thousand dollars (\$25,000) for the second day in which such violation occurs, and fifty thousand dollars (\$50,000) for each additional day.

[c] See City of Milpitas Municipal Code Section VIII-2-6.02. Where rates are herein specified to be in accordance with the use of water, all such premises shall be separately metered. Where such metering is not provided, or for newly constructed units, the City shall make a reasonable estimate of the volume of water consumed to be used as a basis for sewer service charges.

[d] See City of Milpitas Municipal Code Section VIII-2-6.03. In the event of a failure to pay the charges as provided for sewage service, the City is authorized to disconnect sewer or water service, or both.

[e] See City of Milpitas Municipal Code Section VIII-2-6.04. All accounts are due and payable within fifteen (15) days of the date of the bill. Accounts shall become delinquent and a late fee equal to five percent (5%) of the amount due shall be imposed if a payment has not been received by 5:00 p.m. on the due date.

[f] See City of Milpitas Municipal Code Section VIII-2-7.01. Each connector shall pay a fee to City for issuing of each permit, for the inspection of each house lateral, house sewer or side sewer, the sum of five dollars (\$5). Where connector has on file with the City cash deposit for inspection of work, no inspection fee shall be required. In such case, all cost and expenses incurred by City in inspection of the connection shall be made from said deposit.

City of Milpitas

UTILITIES SERVICES FEES

Fee Description	Fee	Note	Yearly Inflator
[g] See City of Milpitas Municipal Code Section VIII-2-7.02. Before the issuance of a permit for the installation of a house lateral, connector shall pay City a fee which shall include the following: (A) An engineering charge to defray the cost of processing the permit application, which shall be an amount equal to forty cents (\$0.40) times one-half the width of the street expressed in feet in which the house lateral is being constructed. (B) A short side charge shall be collected in all cases where the main or trunk to which connection is being made is located between the center line of the street and the property to be served. Said short side charge shall be an amount equal to four dollars and fifty cents (\$4.50) times the distance in feet between the center line of the street and the main or trunk sewer to which the connection is being made. The purpose of this charge is to equalize connection cost for property on both sides of the street. [h] See City of Milpitas Municipal Code Section VIII-2-7.03. The City Council may disburse to connectors whose house laterals connect to a main or trunk sewer at a point beyond the center line of the street an amount equal to \$4.50 times the distance in feet between the center of the street and the main or trunk sewer to which said connection was made. [i] See City of Milpitas Municipal Code Section XI-16-14. Any person who intentionally or negligently violates any provision of this Chapter or any provision of any permit or certificate issued pursuant to this Chapter shall be civilly liable to the city in a sum not to exceed \$25,000.00 per day for each day in which such violation occurs.			

City of Milpitas

FIRE

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
FIRE INVESTIGATION/ENFORCEMENT/RESPONSE					
1	Emergency Response – Haz Mat Calls, Minimum 1-hr	HR(s) * hourly rate			N
2	Response to DUI	HR(s) * hourly rate			N
3	Non-Milpitas Response	HR(s) * hourly rate			N
4	Response/Investigation Fee	HR(s) * hourly rate			N
5	Referral Inspection (Life/Safety) 2 hrs minimum charge	HR(s) * hourly rate			N
6	Referral Inspection (Haz Mat) 2 hrs minimum charge	HR(s) * hourly rate			N
7	Fire Code Chapter 50 (Haz Mat) - Release Cleanup 2 hrs minimum charge	HR(s) * hourly rate			N
8	Enforcement Cost Recovery	HR(s) * hourly rate			N
FALSE ALARM					
9	False Alarm				
	a) First two in 12 month time-frame	no charge			N
	b) 3rd occurrence	\$300			N
	c) 4th occurrence	\$600			N
	d) 5th or more	\$900			N
MISCELLANEOUS					
10	Data input (HMMP/HMIS), Minimum of 2 hours	HR(s) * hourly rate			N
11	Late fee – over 60 days	Collection Cost			N
12	Failure to obtain a permit	Double permit fee			N
13	Weed Abatement. Fee = (hrs * \$/HR), minimum 1-hr	HR(s) * hourly rate			N
14	Fire Watch, Fee = (hrs * hourly rate). Std. or OT rate	HR(s) * hourly rate		[a]	N
15	DSS 850 Pre-Inspection (HSC 13235)	\$566			Y
16	Confined Space permits	HR(s) * hourly rate			N
17	Electronic Archive, per permit	\$25			N
18	Use of Trailer	\$60	per hour		N
19	Administrative Fee	\$70	per hour		N
20	Instructor	Actual Cost			N
21	Fire Reports	\$13			N
22	Other Services Not Listed	HR(s) * hourly rate			N

City of Milpitas

FIRE

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
FIRE PREVENTION					
ANNUAL OPERATIONAL PERMITS					
23	A-1 Occupancy (theaters and other small viewing halls)	\$1,508			Y
24	A-2 Occupancy (Food & Drink Establishment)	\$1,131			Y
25	A-3 Occupancy (Worship, recreation, or amusement)	\$1,131			Y
26	A-4 & A-5 Occupancy (indoors or outdoors sport event structures)	\$2,639			Y
27	High Piled Storage	\$1,508			Y
28	Malls				
	a) Small (0 to 50,000 s.f.)	\$1,131			Y
	b) Medium (50,001 to 100,000 s.f.)	\$1,885			Y
	c) Large (over 100,000 s.f.)	\$2,639			Y
29	Combustible Dust Producing Facility	\$754			Y
30	Motels	\$1,131			Y
31	Hotels & Multi-Story Structures				
	a) <5 stories	\$2,262			Y
	b) 5+ stories - per floor	\$377			Y
32	Commercial Daycare				
	a) Small (<100 children or elderly)	\$754			Y
	b) Large (100+ children or elderly)	\$1,508			Y
33	Small Apartments (3-4 units)	\$377			Y
34	Medium Apartments (5-15 units)	\$1,508			Y
35	Large Apartments (more than 15 units)	\$2,262			Y
36	Small Chemical User (Example: doctor/dentist, dry cleaner, photo shop, graphic design, print shop, automobile engine repair, propane, CO2 beverage dispensing system, battery systems, emergency generators, pools, etc.)	\$754			Y
37	Medium Chemical User (Example: automobile body shop, research and design, analytical labs, pool supplies, big-box retail stores)	\$1,885			Y
38	Large Chemical User (Semiconductor or similar facilities)	\$3,016			Y
39	Plating Shops	\$2,262			Y
40	Toxic Gas				
	a) Small Toxic Gas - Annual Monitoring Certification	\$1,508			Y
	b) Large Toxic Gas - Annual Monitoring Certification	\$3,016			Y
41	Mobile Fueling				
	a) Vendor	\$1,885			Y
	b) Site	\$1,885			Y

City of Milpitas

FIRE

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
42 Underground Tanks	\$1,131			Y
43 Other Miscellaneous Annual Inspections Fee - per hour	HR(s) * hourly rate			N
CONSTRUCTION REVIEW / PERMIT / INSPECTION				
Building Life / Safety:				
44 Demolition Fees:				
a) Interior or Partial Building or Misc. Demolition	\$754			Y
b) Complete Building with or without Site Demolition	\$1,131			Y
45 Grading Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.				
a) Less than 1 acre	\$754			Y
b) 1-5 acres	\$1,131			Y
c) Greater than 5 acres	\$1,508			Y
46 Site Improvement Fees: These are only assessed if permits are submitted separately to Building Department from new construction or remodel permits.				
a) Less than 1 acre	\$1,131			Y
b) 1-5 acres	\$2,262			Y
c) Greater than 5 acres (per acre)	\$377	per acre		Y
47 New Building – Shell:				
a) Less than 5,000 sq. ft.	\$1,131			Y
b) 5,000-25,000 sq. ft.	\$2,262			Y
c) 25,000-50,000 sq. ft.	\$3,393			Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.08	per sq ft		Y
48 New Building – New Construction:				
a) Less than 5,000 sq. ft.	\$1,131			Y
b) 5,000-25,000 sq. ft.	\$3,016			Y
c) 25,000-50,000 sq. ft.	\$5,655			Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.11	per sq ft		Y
49 Additions, Alterations, and Tenant Improvements:				
a) Less than 5,000 sq. ft.	\$660			Y
b) 5,000-25,000 sq. ft.	\$2,828			Y
c) 25,000-50,000 sq. ft.	\$5,278			Y
d) 50,000+ sq. ft. – per sq. ft.	\$0.11	per sq ft		Y
50 Missed Plan Check by Appointment	\$377			Y
51 Revision to Project Fee - per hour (min 1 hr)	HR(s) * hourly rate			N
52 Tents, Canopies, or Membrane Structures:				
a) 4 or less	\$1,508			Y
b) Each Additional, After 4	\$377			Y

City of Milpitas

FIRE

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
53 Temporary Assembly (Indoors or outdoors), with or w/out tent				
a) Occupancy 50-299	\$1,131			Y
b) Occupancy 300-999	\$1,885			Y
c) Occupancy 1000+	\$3,016			Y
Fire Extinguishing Systems: These are typically deferred submittals and reviewed and inspected after building plan submittals.				
54 Fire Service Underground:				
a) New or Replace - each	\$1,885			Y
b) Repairs	\$754			Y
55 Fire Sprinkler Systems:				
a) Less than 2,000 sq. ft	\$1,037			Y
b) 2,000+ sq. ft. – per sq. ft., fee = Base Fee + [(project sq. ft. - 2,000 sq. ft.) * per sq. ft. fee]	\$0.26			Y
56 Hood & Duct Systems – Each	\$1,508			Y
57 FM 2000 (under floor systems, etc.) each	\$1,508			Y
58 Other (deluge, foam, preaction, etc.) each	\$1,508			Y
Fire Alarm Systems:				
59 Additions, Alterations, or Repairs: If more than 10 devices then the New Fire Alarm fee applies.				
a) 1-5 Devices	\$754			Y
b) 6-10 Devices	\$1,508			Y
60 New Fire Alarm:				
a) Less than 5,000 sq. ft.	\$1,508			Y
b) 5,000+ sq. ft. – per sq. ft., fee = Base Fee + [(project sq. ft. - 5,000 sq. ft.) * per sq. ft. fee]	\$0.26			Y
61 Hazardous Materials - Building Construction:				
a) Commercial ESS	\$2,262			Y
b) Residential ESS	\$1,131			Y
c) Small TI without process piping or tools. (Example: registration form, inert compressed gas system installations, CO2 for beverage, small auto repair or retail).	\$1,131			Y
d) Facility TI with process piping or tanks < 4,000 sq. ft. (Example: H or F Occupancy, Plating Facility, chemical bunker). Does not include tools (tool fee is extra).	\$1,885			Y
e) Facility TI with process piping or tanks > 4,000 sq. ft. (Example: H or F Occupancy, Plating Facility, chemical bunker). Does not include tools (tool fee is extra).				
i) Base Fee - Includes up to 8 hours	\$3,016			Y
ii) Each Additional Hour, or fraction thereof	\$377			Y
f) Temporary diesel generator (no external tank)	\$1,885			Y
g) Temporary diesel tank (external to equipment)	\$1,131			Y
h) Temporary or Mobile ESS	\$2,262			Y

City of Milpitas

FIRE

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
62 Tools with Hazardous Materials (Example: emergency generator, lift stations, aboveground tanks, treatment systems, battery module per 50KWh, propane system, large tank installations).				
a) Up to Two Tools	\$1,508	up to 2 tools		Y
b) Each Additional Tool	\$566	per tool		Y
63 Closure - process / tools	\$1,131	each		Y
64 Closure - Facility				
a) Small HM Facility Closure	\$1,508			Y
b) Medium HM Facility Closure	\$2,262			Y
c) Large HM Facility Closure				
i) Base Fee - Includes up to 10 hours	\$3,770			Y
ii) Each Additional Hour, or fraction thereof	\$377			Y
65 Underground Tank Installation:				
a) Tank System - 3 Tanks or less	\$6,786			Y
b) Each Additional Tank	\$754			Y
66 Underground Tank Removal:				
a) Tank System - 3 Tanks or less	\$3,770			Y
b) Each Additional Tank	\$754			Y
MISCELLANEOUS FEES:				
67 After Hours or Fast-Track Plan Check, Inspection - 3 hrs min at OT Rate [a]	\$1,357		[a]	Y
68 Alternate Materials & Methods Review	\$1,320			Y
69 New Occupancy (new business)				
a) No Hazardous Materials	\$754			Y
b) With Hazardous Materials	\$754			Y
70 Smoke Detectors Verifications (new owner)	\$377			Y
71 Title 19 5-year automatic fire sprinkler certification				
a) Commercial, Industrial, Mixed Use, Hotel/Motel, Apartments, Condominiums, etc.				
i. Building less than or equal to 50,000 sq. ft.	\$754			Y
ii. Building over 50,000 sq. ft.				
a) First 50,000 sq. ft.	\$754			Y
b) Each additional 50,000 sq. ft. or fraction thereof	\$377			Y
b) Townhome Buildings				
i. Building less than or equal to 25,000 sq. ft.	\$377			Y
ii. Building over 25,000 sq. ft.				
a) First 25,000 sq. ft.	\$377			Y
b) Each additional 25,000 sq. ft. or fraction thereof	\$377			Y
72 Failure to cancel a scheduled inspection 24 hrs. prior	\$377			Y

City of Milpitas

FIRE

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
73 Temporary Certificate of Occupancy	\$189			Y
74 Standard Hourly Rate - per hour	\$377			Y
75 Overtime Hourly Fee - per hour	\$452			Y
76 Other activities not listed - per hour	\$377			Y
77 Additional Plan Review Time - Std. or OT per hr.	HR(s) * hourly rate			N
78 Additional Inspection Time - Std. or OT per hr.	HR(s) * hourly rate			N
79 Fire Department Technology Fee - % of permit	3.80%			N
80 Emergency Response Mapping - New Projects				
a) Base Fee - Includes up to 1 hour	\$377			Y
b) Each Additional Hour, or fraction thereof	\$377			Y

[a] Minimum 3 hours.

City of Milpitas

AMBULANCE

Fee Description		Fee	Note	Yearly Inflator
SERVICE FEES				
1	ALS-1 (Advanced Life Support)	\$3,314.54		N
2	ALS-2 (Advanced Life Support)	\$3,314.54		N
3	BLS	\$2,651.64		N
4	Mileage	\$112.54		N
5	Hourly Ambulance Standby	\$390.19		N
6	Hourly Paramedic – Individual	\$195.09		N
7	Hourly EMT – Individual	\$130.06		N
EQUIPMENT/SUPPLIES				
8	Airway/Nasal	\$59.95		N
9	Airway/Oral	\$32.70		N
10	Bag Valve Mask	\$198.93		N
11	Bandage, Elastic	\$16.07		N
12	Bandages Triangular	\$27.25		N
13	Bed Pan	\$27.25		N
14	Blanket, Disposable	\$65.40		N
15	Blood Glucose Test	\$54.50		N
16	Burn Sheet	\$100.83		N
17	Cervical Collar	\$196.21		N
18	Cold/Hot Pack	\$40.88		N
19	Cpap Procedure	\$844.79		N
20	Defib Pads	\$119.91		N
21	Dressing - Major	\$27.25		N
22	Dressing - Minor	\$27.25		N
23	Ekg Electrodes	\$51.78		N
24	Ekg Monitor 12 Lead	\$258.89		N
25	Emesis Basin/Bag	\$21.24		N
26	Endotracheal Tube Introducer/Gum Elastic Bougie	\$182.04		N
27	Headbed Immobilizer	\$46.33		N
28	Hepa Mask	\$68.13		N
29	Hood, Spit Sock	\$44.87		N
30	Intravenous Saline Lock	\$143.48		N
31	Intravenous Infusion Set	\$242.53		N
32	Intravenous Start Kit	\$108.92		N
33	Intubation Supplies	\$122.63		N
34	IO Supplies	\$812.09		N
35	King Vision Video Larynoscope Channel Blade	\$45.07		N
36	LMA Supreme - Supraglottic Airway	\$54.09		N
37	Meconium Aspirator	\$24.23		N
38	Nebulizer	\$128.09		N
39	Non-Rebreather Mask	\$29.98		N
40	O2 Cannula With End-Tidal	\$92.57		N
41	O2 Mask/Cannula	\$62.68		N
42	OB Pack	\$218.01		N
43	Patient Mover	\$87.46		N
44	Plueral Decompression	\$185.43		N
45	Pulse Oximetry	\$114.46		N

City of Milpitas

AMBULANCE

Fee Description	Fee	Note	Yearly Inflator
46 Razor, Disposable	\$2.27		N
47 Splint Arm	\$40.88		N
48 Splint Leg	\$40.88		N
49 Splinting (Extremity)	\$196.21		N
50 Strap, 5 Foot Immobilization	\$30.16		N
51 Suction Tube	\$84.48		N
52 Suctioning	\$171.68		N
53 Temperature Measurement	\$46.00		N
54 Tourniquet, Combat	\$163.85		N
55 Universal Precautions	\$76.30		N
56 Urinal	\$27.25		N
MEDICATIONS			
57 Acetaminophen	\$329.94		N
58 Activated Charcoal	\$55.37		N
59 Adenosine	\$158.06		N
60 Albuterol	\$65.40		N
61 Amiodarone	\$105.12		N
62 Aspirin	\$16.35		N
63 Atrophine	\$46.33		N
64 Atrophine High Dose	\$218.54		N
65 Benadryl	\$46.33		N
66 Calcium Chloride	\$46.33		N
67 Dextrose 10% 25G In 250ML Bag	\$66.05		N
68 Dopamine Drip	\$147.16		N
69 Duodote Autoinjector	\$136.94		N
70 Epi 1:1,000 1Mg/1Cc	\$76.30		N
71 Epi 1:10,000	\$76.30		N
72 Glucagon	\$776.66		N
73 Glucose Paste	\$23.74		N
74 Lidocaine 2%	\$59.95		N
75 Midazolam	\$4.33		N
76 Morphine	\$46.33		N
77 Narcan	\$87.20		N
78 Nitroglycerin Tablet	\$2.33		N
79 Nitropaste	\$21.23		N
80 Normal Saline Flush Pls 10Cc	\$40.74		N
81 Normal Saline 1000Cc	\$264.34		N
82 Ondansetron Injectable	\$94.83		N
83 Ondansetron Oral Dissolving Tablet	\$78.32		N
84 Sodium Bicarb	\$81.75		N
85 Sterile Water	\$65.40		N
86 Tranexamic Acid 1,000mg	\$15.55		N

* These fees are intended to mirror fees authorized by the Santa Clara County Emergency Medical Services Agency (Santa Clara County EMS). If Santa Clara County EMS updates fees subsequent to the adoption of this schedule, this schedule shall be presumed to reflect updated amounts. In the case of discrepancies, fee amounts authorized by Santa Clara County EMS shall supersede the amounts listed above. The City will periodically examine costs to ensure that fees collected do not exceed the City's program costs of service.

City of Milpitas

POLICE

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Citations					
1	Citation Sign off for Non Milpitas Residents	\$20			N
2	Parking Citations	\$65 - \$280		[a]	N
3	Copy of Traffic & Parking citations	\$5			N
Alarm Fees and Fines					
4	Alarm Permit				
	a) Alarm Permit - Initial	\$52	per year	[b]	Y
	b) Alarm Permit - Renewal	\$26	per year	[b]	Y
	c) Alarm Permit - Late Filing Fee	50% of permit fee			N
5	False Alarm Response (per calendar year)				
	a) First	No Charge			N
	b) Second	No Charge			N
	c) Third	\$100			Y
	d) Fourth	\$165			Y
	e) Fifth	\$325			Y
	f) Sixth or More	\$325	per response		Y
6	False Alarm Response - Additional Fee for Unregistered Alarm	\$32	per response		Y
Concealed Weapon Permit					
7	Concealed Weapon Permit				
	a) Initial Application	\$330		[c]	N
	b) Renewal Application	\$25		[c]	N
	c) Psychological Testing	Actual Cost		[c]	N
	d) Modification of Permit	\$10		[c]	N
Miscellaneous					
8	Fingerprints				
	a) Ink Card Up to (2) Cards	\$40			N
	b) Ink Card Over (2) Cards	\$5	Each Additional Card		N
	c) Live Scan plus DOJ and FBI fees	\$40			N
9	Subpoenas				
	a) Officer	\$275			N
	b) Records	\$15			N
10	Administrative Tow Fees				
	a) Impound	\$365			N
	b) Stored	\$165			N
11	Repossession Fee	\$15			N
12	Incident (Log Event) Reports	\$5			N
13	Photos on CD / Digital Media	\$20			N

City of Milpitas
POLICE

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
14	Police Reports				
	a) Up to (10) Pages	\$15			N
	b) Police Reports Over (10) Pages	\$1	per page		N
15	US Investigative Request for Law Enforcement Data	\$15			N
16	Videos / Digital Reproduction	Actual Cost billed in 15 minute increments; \$50 minimum		[d]	N
17	Massage Permits	\$1,000			N

[a] Amounts vary depending on citation type.

[b] Alarm permits are issued per calendar year. Permits will expire annually on December 31st.

[c] Additional fees may apply (e.g., other agency fees, fingerprinting, background testing, firearm training, etc.).

[d] For requests requiring special programming or formatting the City will recover actual costs, including a pass-through of any vendor costs incurred.

City of Milpitas

ANIMAL REGULATION

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
1 Animal Bites Penalty	\$200			N
2 Animal Impoundment Hearing	\$50			N
3 Animal Nuisance (e.g. barking)	\$100			N
4 Animals in Excess of Maximum Allowed Penalty	\$50			N
5 Failure to Apply for Annual Animal Facility Permit	\$20			N
6 Inadequate Control or Confinement of Potentially Dangerous Animal Penalty	\$100			N
7 Late Payments for Animal Fees	10%	7 days		N
8 Unlicensed dog or cat penalty	\$50			N
9 Violation of Leash Law	\$25			N
10 Dog License				
a) Altered	\$25			N
b) Late Fee	\$20			N
c) Unaltered	\$65			N
11 Cat License				
a) Altered	\$15			N
b) Late Fee	\$20			N
c) Unaltered	\$35			N
12 Dog Seller Fee				
a) 1st Permit within Calendar Year	\$89			N
b) 2nd Permit within Calendar Year	\$177			N
13 Cat Seller Fee				
a) 1st Permit within Calendar Year	\$59			N
b) 2nd Permit within Calendar Year	\$118			N
14 Animal Disposal Fee	Actual Cost			N
15 Quarantining Animal Fee	Actual Cost			N
16 Redemption of Impounded Animal Fee	Actual Cost			N
17 Annual Animal Adoption Permit Fee	\$59			N
18 Annual Animal Facility Permit Application Fee	\$59			N
19 Dangerous Animal Annual Permit Fee	\$177			N
20 Permit for Exception to Number or Type of Animals Allowed, Application Fee	\$24			N
21 Other Requested/Required Services - See City of San Jose (The City of Milpitas contracts with the City of San Jose for various Animal Regulation services)	See City of San Jose fee schedule			N

City of Milpitas

RECREATION

Legend for Recreation Fees:

Priority II= Milpitas Public Schools, Chamber, and Gov. Agencies; Priority III= Resident Non-Profits; Priority IV= Milpitas Residents; Priority V= Non-Resident

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
ADULT RECREATION				
Adult Sports Enrichment Fees				
1 Sports League (full season)				
a) per team	\$545 - \$775	per season		Y
b) Additional fee per non-resident player	\$11	per season		Y
AQUATICS				
2 Recreational Swim	\$5 - \$12	per person		Y
3 Swimming Lessons Group				
a) Residents	\$85 - \$116	per session		Y
4 Private Swimming Lessons				
a) Residents	\$40 - \$50	per half hour lesson		Y
ARTS & CULTURE PROGRAMS				
5 Cultural Facilities Entrance Fee	\$0 - \$20	per person		Y
6 Cultural Event Activity Fee	\$0 - \$20	per person		Y
7 Busker Fee	\$0 - \$20	per event		Y
8 Artisan/Cottage Vendor Fee	\$25 - \$105	per event		Y
9 Theatre Audition/Cast Fee				
a) Residents	\$0 - \$150	per production		Y
10 Theatre Entrance Fees				
a) General Production	\$0 - \$20	per person		Y
b) Special Production	\$0 - \$50	per person		Y
11 CONTRACT CLASSES / PROGRAMS	Instructor: Negotiated Rate			N

City of Milpitas

RECREATION

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Fee Description	Fee	Charge Basis	Note	Yearly Inflator
MEMBERSHIP				
12 Senior Center Membership				
a) Residents	\$15 - \$20	per year		Y
b) Non-Resident	\$35 - \$40	per year		Y
Sports Center Membership				
13 Fitness Passes - Per Visit Packages				
a) 5 visits	\$27	per package		Y
b) 10 visits	\$54	per package		Y
c) 15 visits	\$81	per package		Y
d) 20 visits	\$108	per package		Y
14 Fitness Passes Senior (50+) - Per Visit Packages				
a) 5 visits	\$17	per package		Y
b) 10 visits	\$34	per package		Y
c) 15 visits	\$51	per package		Y
d) 20 visits	\$68	per package		Y
15 Drop-In Fee	\$8 - \$14	per package		Y
16 Sports Center Unlimited Packages				
a) Monthly	\$70 - \$80	per package		Y
b) 3 Months	\$210 - \$220	per package		Y
c) 6 Months	\$310 - \$320	per package		Y
d) 12 Months	\$510 - \$520	per package		Y
17 Sports Center Unlimited Packages - Senior (50+)				
a) Monthly	\$40 - \$50	per package		Y
b) 3 Months	\$95 - \$105	per package		Y
c) 6 Months	\$145 - \$155	per package		Y
d) 12 Months	\$255 - \$265	per package		Y
18 Fitness Passes - Per Visit Packages - Non Resident				
a) 5 visits - Non Resident	\$32	per package		Y
b) 10 visits - Non Resident	\$64	per package		Y
c) 15 visits - Non Resident	\$96	per package		Y
d) 20 visits - Non Resident	\$128	per package		Y
19 Fitness Passes Senior (50+) - Per Visit Packages				
a) 5 visits - Non Resident	\$22	per package		Y
b) 10 visits - Non Resident	\$44	per package		Y
c) 15 visits - Non Resident	\$66	per package		Y
d) 20 visits - Non Resident	\$88	per package		Y
20 Sports Center Unlimited Packages				
a) Monthly - Non Resident	\$80 - \$90	per package		Y
b) 3 Months - Non Resident	\$238 - \$248	per package		Y
c) 6 Months - Non Resident	\$362 - \$372	per package		Y
d) 12 Months - Non Resident	\$611 - \$621	per package		Y
21 Sports Center Unlimited Packages - Senior (50+)				
a) Monthly - Non Resident	\$49 - \$59	per package		Y
b) 3 Months - Non Resident	\$119 - \$129	per package		Y
c) 6 Months - Non Resident	\$191 - \$201	per package		Y
d) 12 Months - Non Resident	\$347 - \$357	per package		Y

City of Milpitas

RECREATION

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Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Artificial Turf Field					
22	Deposit (Football/Soccer)				
	a) Priority II & III	n/a			N
	b) Priority IV & V	\$1,000			N
23	Deposit (Soccer/Volleyball)				
	a) Priority II & III	n/a			N
	b) Priority IV & V	\$750			N
24	Artificial Turf Football/Soccer w/o lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$160	per hour		N
	c) Priority V	\$321	per hour		N
25	Artificial Turf Football/Soccer w/ lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$171	per hour		N
	c) Priority V	\$342	per hour		N
26	Artificial Turf Volleyball/Soccer w/o lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$109	per hour		N
	c) Priority V	\$217	per hour		N
27	Artificial Turf Volleyball/Soccer w/ lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$119	per hour		N
	c) Priority V	\$238	per hour		N
28	Tournament: Field w/o lights (Football)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$235	per hour		N
	c) Priority V	\$353	per hour		N
29	Tournament: Field w/ lights (Football)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$245	per hour		N
	c) Priority V	\$368	per hour		N
30	Tournament: Field w/o lights (Small)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$176	per hour		N
	c) Priority V	\$264	per hour		N
31	Tournament: Field w/ lights (Small)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$187	per hour		N
	c) Priority V	\$280	per hour		N

City of Milpitas

RECREATION

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Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Community Center Rentals				
32 Application Fee (non-refundable)	\$31 - \$41	per rental		N
33 Rental Deposits: Classroom/Conference Room	\$200	per rental		N
34 Rental Deposits: Auditorium	\$500	per rental		N
35 Rental Deposits: Auditorium Screen	\$250	per rental		N
36 Auditorium (3 hr. minimum)				
a) Priority II	no fee			N
b) Priority III	\$109	per hour		N
c) Priority IV	\$217	per hour		N
d) Priority V	\$279	per hour		N
37 Conference Room (2 hr. minimum)				
a) Priority II	no fee			N
b) Priority III	\$38	per hour		N
c) Priority IV	\$77	per hour		N
d) Priority V	\$139	per hour		N
38 Dance Studio. Craft Classroom (2 hr. minimum)				
a) Priority II	no fee			N
b) Priority III	\$22	per hour		N
c) Priority IV	\$43	per hour		N
d) Priority V	\$106	per hour		N
39 Facility Attendant Fees				
a) Priority II,III, IV	\$32	per hour		N
b) Priority V	\$64	per hour		N
40 Piano				
a) Priority III, IV	\$22	per day		N
b) Priority V	\$87	per day		N
41 Auditorium Sound System (includes staff time)	\$54	per hour		N
42 Podium	\$25	per day		N
43 Podium (with Delivery)	\$50	per day		N

City of Milpitas

RECREATION

Legend for Recreation Fees:

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Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Field Rentals					
44	Application Fee (non-refundable)	\$31 - \$41		[a]	N
45	Rental Deposits				
	a) Priority II & III	n/a			N
	b) Priority IV & V	\$750			N
46	Cricket Pitch				
	a) Priority II & III	n/a			N
	b) Priority IV	\$32	per hour		N
	c) Priority V	\$64	per hour		N
47	Soccer Field w/o lights (2hr. Minimum)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$32	per hour		N
	c) Priority V	\$64	per hour		N
48	Soccer Field w/ lights (2hr. Minimum)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$43	per hour		N
	c) Priority V	\$87	per hour		N
49	Softball/ Baseball Field w/o lights (2hr minimum)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$22	per hour		N
	c) Priority V	\$43	per hour		N
50	Softball/ Baseball Field w/ lights (2hr minimum)				
	a) Priority II & III	n/a			N
	b) Priority IV	\$32	per hour		N
	c) Priority V	\$64	per hour		N
51	Tournaments: Field w/o lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$65	per hour		N
	c) Priority V	\$130	per hour		N
52	Tournaments: Field w/ lights				
	a) Priority II & III	n/a			N
	b) Priority IV	\$86	per hour		N
	c) Priority V	\$172	per hour		N

City of Milpitas

RECREATION

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Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Gym, Courts & Pool Rentals				
53 Application Fee (non-refundable)	\$31 - \$41			N
54 Rental Deposit				
a) Priority II & III	n/a			N
b) Priority IV & V	\$750			N
55 Large Gymnasium (3 hr. minimum)				
a) Priority II & III	n/a			N
b) Priority IV	\$92			N
c) Priority V	\$184			N
56 MSC Dance Studio (2 hr. minimum)				
a) Priority II	no fee			N
b) Priority III	\$22	per hour		N
c) Priority IV	\$44	per hour		N
d) Priority V	\$107	per hour		N
57 Tournaments: Large Gymnasium (3 hr. Minimum)				
a) Priority II & III	n/a			N
b) Priority IV	\$158			N
c) Priority V	\$245			N
58 Training Pool (2hr. minimum)				
a) Priority II & III	n/a			N
b) Priority IV	\$54 - \$74	per hr + 2 guards		N
c) Priority V	\$108 - \$128	per hr + 2 guards		N
59 Yard Pool (2 hr. minimum)				
a) Priority II & III	n/a			N
b) Priority IV	\$67 - \$87	per hr + 2 guards		N
c) Priority V	\$135 - \$155	per hr + 2 guards		N
60 Meter Pool (2 hr. minimum)				
a) Priority II & III	n/a			N
b) Priority IV	\$78 - \$98	per hr + 2 guards		N
c) Priority V	\$155 - \$175	per hr + 2 guards		N
61 Facility Attendant/Scorekeeper (per attendant)			[a]	
a) Priority II & IV	\$32	per hour		N
b) Priority V	\$64	per hour		N
62 Lifeguard Fees (per Lifeguard)			[a]	
a) Priority II & IV	\$22	per hour		N
b) Priority V	\$43	per hour		N
63 Classroom (2hr. minimum)				
a) Priority II	n/a			N
b) Priority III	\$22	per hour		N
c) Priority IV	\$43	per hour		N
d) Priority V	\$106	per hour		N
e) Deckside Party Area	\$35 - \$67	per rental		N

City of Milpitas

RECREATION

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Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Higuera Adobe					
64	Application Fee (non-refundable)	\$31 - \$41		[b]	N
65	Rental Deposit	\$500		[b]	N
66	Auditorium (3hr. Minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$54	per hour		N
	c) Priority IV	\$108	per hour		N
	d) Priority V	\$170	per hour		N
67	Facility Attendant Fees (per attendant)				
	a) Priority II, III, & IV	\$32	per hour		N
	b) Priority V	\$64	per hour		N
City Hall					
68	Application Fee (non-refundable)	\$31 - \$41	per rental		N
69	Rental Deposit	\$500		[b]	N
70	City Hall Rotunda (2 hr. minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$41	per hour		N
	c) Priority IV	\$83	per hour		N
	d) Priority V	\$166	per hour		N
71	City Hall City Council Chambers (2 hr. minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$81	per hour		N
	c) Priority IV	\$269	per hour		N
	d) Priority V	\$538	per hour		N
72	City Hall Veterans Plaza (2 hr. minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$41	per hour		N
	c) Priority IV	\$83	per hour		N
	d) Priority V	\$166	per hour		N
73	Staff/hour - Maintenance and/or IT (per attendant / per staff member)	\$52 - \$120	per hour / per staff		N
Special Event Venue/Open Space					
74	Application Fee (non-refundable)	\$31 - \$41	per application		N
75	Rental Deposits	\$1,000	per day		N
76	Rental Fee				
	a) Priority II & III	\$1,069	per day		N
	b) Priority IV	\$2,138	per day		N
	c) Priority V	\$3,207	per day		N
77	Facility Attendant Fees (per attendant)	\$32	per hour	[c],[d]	N

City of Milpitas

RECREATION

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Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Picnic Area Rentals					
78	Application Fee (non-refundable)	\$31 - \$41			N
79	Rental Deposit: Large Picnic Area	\$250			N
80	Small Parks with Restrooms (50 or less capacity)				
	a) Priority III & IV	\$88	per day per area	[b]	N
	b) Priority V	\$155	per day per area	[b]	N
81	Small Parks without Restrooms (50 or less capacity)				
	a) Priority III & IV	\$67	per day per area	[b]	N
	b) Priority V	\$135	per day per area	[b]	N
82	Medium Parks 50 to 100 or less capacity				
	a) Priority III & IV	\$150	per day per area	[b]	N
	b) Priority V	\$212	per day per area	[b]	N
83	Large Parks More than 100+ capacity				
	a) Priority III & IV	\$342	per day per area	[b]	N
	b) Priority V	\$404	per day per area	[b]	N
84	Bounce House Permit				
	a) Priority III & IV	\$60		[b]	N
	b) Priority V	\$100		[b]	N
Sal Cracolice Facility Rental					
85	Application Fee (non-refundable)	\$31 - \$41			N
86	Rental Deposit Meeting Room	\$200	per rental		N
87	Rental Deposit Amphitheater	\$500	per rental		N
88	Rental Deposit Auditorium	\$500			N
89	Auditorium w/kitchenette (3hr. Minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$88	per hour		N
	c) Priority IV	\$176	per hour		N
	d) Priority V	\$238	per hour		N
90	Facility Attendant Fees (per attendant)				
	a) Priority II, III, & IV	\$32	per hour		N
	b) Priority V	\$64	per hour		N
91	Amphitheatre				
	a) Priority II, III, & IV	\$135	per hour		N
	b) Priority V	\$197	per hour		N
92	Meeting Room (2 hr Minimum)				
	a) Priority II	no fee			N
	b) Priority III	\$49	per hour		N
	c) Priority IV	\$97	per hour		N
	d) Priority V	\$159	per hour		N

City of Milpitas

RECREATION

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Fee Description		Fee	Charge Basis	Note	Yearly Inflator
Senior Center Rentals					
93	Application Fee (non-refundable)	\$31 - \$41			N
94	Rental Deposits: Auditorium	\$500			N
95	Rental Deposits: Classrooms				
	a) Priority II	no fee			N
	b) Priority III	\$200			N
	c) Priority IV	\$200			N
	d) Priority V	\$200			N
96	Community Room Auditorium (3hr. Minimum)				
	a) Priority II	no fee	per hour		N
	b) Priority III	\$98	per hour		N
	c) Priority IV	\$197	per hour		N
	d) Priority V	\$259	per hour		N
97	Classroom 140 and 141 (Full) (2 hr. Minimum)				
	a) Priority II	no fee	per hour		N
	b) Priority III	\$49	per hour		N
	c) Priority IV	\$97	per hour		N
	d) Priority V	\$159	per hour		N
98	Classroom 140 and 141 (Half)				
	a) Priority II	no fee	per hour		N
	b) Priority III	\$27	per hour		N
	c) Priority IV	\$54	per hour		N
	d) Priority V	\$116	per hour		N
99	Facility Attendant Fees (per attendant)				
	a) Priority II, III, & IV	\$32	per hour		N
	b) Priority V	\$64	per hour		N
100	Dance Studio				
	a) Priority II	no fee	per hour		N
	b) Priority III	\$22	per hour		N
	c) Priority IV	\$43	per hour		N
	d) Priority V	\$106	per hour		N
Community Garden					
101	Garden Plots (Residents Only)				
	a) Potable Water Community Gardens	\$1.00 - \$1.50	per sq. foot		N
	b) Recycled Water Community Gardens	\$0.75 - \$1.05	per sq. foot		N

City of Milpitas

RECREATION

Legend for Recreation Fees:

Priority II= Milpitas Public Schools, Chamber, and Gov. Agencies; Priority III= Resident Non-Profits; Priority IV= Milpitas Residents; Priority V= Non-Resident

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
Pickleball / Tennis Court Rentals				
102 Deposit	\$250			N
103 Courts w/o lights (per court)				
a) Priority II & III	n/a	per hour / per court		N
b) Priority IV	\$9	per hour / per court		N
c) Priority V	\$18	per hour / per court		N
104 Courts w/ lights (per court)				
a) Priority II & III	n/a	per hour / per court		N
b) Priority IV	\$11	per hour / per court		N
c) Priority V	\$21	per hour / per court		N
105 Tournament: Courts w/o lights (per court)				
a) Priority II & III	n/a	per hour / per court		N
b) Priority IV	\$28	per hour / per court		N
c) Priority V	\$56	per hour / per court		N
106 Tournament: Courts w/ lights (per court)				
a) Priority II & III	n/a	per hour / per court		N
b) Priority IV	\$32	per hour / per court		N
c) Priority V	\$65	per hour / per court		N
Senior Enrichment Fees(50+ years of age)				
107 Senior Center Programs-Classes	\$5 - \$8	per hour instruction		Y
108 Senior Center Citizen Trip Admin Fee	Actual cost to City + Trip Admission Fee	per activity	[e]	Y
109 Senior Center Events	\$0 - \$25	per day/ticket		Y
110 Senior Center Event Non-Member Fee	\$5 - \$10	per day/ticket		Y
111 Senior Center Program/Class Non-Resident Fee	\$11	per class		Y
SPECIAL EVENTS				
Special Event Fees				
112 Special Event Entrance Fee	\$0 - \$150	per event		Y
113 Special Events Activity Fee	\$0 - \$50	per activity		Y
114 Special Event Vendor Fees	\$105 - \$545	per space OR 5% - 20% net sales		Y
115 Special Event Non-Profit Vendor Fees	\$0 - \$275	per space OR 0% - 10% net sales		Y

City of Milpitas

RECREATION

Legend for Recreation Fees:

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Fee Description	Fee	Charge Basis	Note	Yearly Inflator
YOUTH				
Youth Enrichment Fees				
116 Youth Sports User Fee				
a) Outdoor	\$10	per player per season		Y
b) Indoor	\$21	per player per season		Y
117 After School Program				
a) Residents	\$10 - \$20	per day for residents		Y
b) Drop-In	\$15 - \$40	per day		Y
118 Late fee for After-School/Day Camp Programs				
a) 1st offense & 2nd offense	\$12	per each 10 minutes		Y
b) 3rd offense or more	\$28	per each 10 minutes		Y
119 Day Camp (Regular Day) – Internal Staff Run	\$202 - \$223	per week		Y
120 Day Camp Extended Care – Internal Staff Run	\$46	per week		Y
Department General Fees				
121 General Internal Class Program Fees	Staff time + Materials			Y
122 Membership Card replacement fee	\$5			Y
123 Transaction Fee	\$1 - \$12	per receipt		Y
124 Trips	Actual cost to City + Trip Admission Fee			Y
125 General Non-Resident Fees	\$22 - \$33	per person/class/month/program or trip		Y
126 Rental Deposits: All other rooms	\$200			N
127 Recreation Services Merchandise	actual cost + % mark-up			Y
128 Milpitas Resident Senior Citizen Discount (50 years+)	25% off any non-senior center based class			Y
129 Credit Card Chargeback Fee	\$30			Y
130 Contractor SAM Insurance Fee	\$5 - \$50	per session/event/program		Y
131 Rental Transfer Fee	\$100	per request		Y
132 Transaction Fee	\$4 - \$10	per transaction		Y
133 Picnic Rental Transfer Fee	\$30	per request		Y

Notes:

- [a] No fee for Priority III.
- [b] No fee for Priority II.
- [c] Based on needs and packages.
- [d] Based on needs and days.
- [e] Depending on trip costs.

Additional Notes:

- * Recreation Fees recovery goals may be adjusted/balanced based on market factors.

City of Milpitas

FINANCE / ADMINISTRATIVE FEES

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
1 Bond Payoff Calculation	\$200			Y
2 Business License				
a) New Application Processing Fee	\$65	per year		Y
b) Processing Fee (renewal)	\$27	per year		Y
3 Phone Check Fee (User Fee - Finance)	\$15			N
4 Property Damage Invoice Processing Fee	\$40	plus replacement cost		Y
5 Credit Card Transaction Processing Fee	2.40%	% of amount paid by credit card		N

City of Milpitas

CITY CLERK FEES

Fee Description	Fee	Charge Basis	Note	Yearly Inflator
1 Late Fine for Political Reform Act Filings	\$10	per day; up to \$100 maximum fine	[a]	N
2 Retrieval Fee for Political Reform Act Statements (5 or more years old)	\$5 per search plus \$0.10 per page		[b]	N
3 Bingo License Renewals (Municipal Code)	\$50		[c]	N
4 Public Records Duplication Fees				
a) Standard B&W (up to 11" x 17")	\$0.15	per page		Y
b) Standard Color (up to 11" x 17")	\$0.35	per page		Y
c) Large Format (larger than 11" x 17")	\$4.00	per page		Y
d) Requests Requiring Special Programming or Formatting	Actual Cost	per hour / T&M		N
5 Lobbyist Annual Registration Fee	\$50	per registration	[d]	N
a) For each client with compensation in excess of \$500	\$15			N
6 City Council Meeting Agenda Subscription	\$20 plus postage	per mailed hard copy		N

[a] Set by California Government Code Section 91013.

[b] Set by California Government Code Section 81008.

[c] Set by California Penal Code Section 326.5.

[d] Fee set to match California Secretary of State.

City of Milpitas
INFORMATION TECHNOLOGY

Fee Description		Fee	Charge Basis	Note	Yearly Inflator
1	Digital Media Reproduction	\$20	per flash drive/DVD, etc.		N
2	Requests Requiring Special Programming or Formatting	Actual Cost	per hour / T&M		N