



1 North San Antonio Road
Los Altos, California 94022-3087

M E M O R A N D U M

DATE: 8/23/22

TO: Councilmembers

FROM: City Manager

SUBJECT: COUNCIL Q&A FOR THE AUGUST 23, 2022 CITY COUNCIL
REGULAR MEETING

Item 2: Project Acceptance of Annual Street Striping Project TS-01003:

Question: Is whatever restriping was being considered (but omitted because of staff loss) being rolled into the following year's plan?

Answer: The striping was completed in 2020-21 per plan, but the quantities were far less than anticipated and some of the vertical elements were deleted. The 2022-23 plan includes additional elements that are intended to further improve pedestrian and bicyclist safety.

Question: The title of the Resolution (Attachment A) states that it is for completion of the FY 20/21 annual striping project, but the table on the first page of the staff report indicates the funds were from the FY 21/22 budget. Shouldn't the title be corrected to show it was a FYI 21/22 project (NOT 20/21)?

Answer: As shown below, the project and fund sources should both be shown as FY 2020-21, and the report has been updated on the City website (see excerpt below).

Fiscal Impact:

Project Item	Project Budget	Final Cost
Construction	\$ 157,300	\$ 107,072
Construction Contingency (15%)	\$ 23,595	\$ 0.00
Printing/Advertising/Mailing/Misc.	\$ 5,000	\$ 2,560
Estimated Total Cost	\$ 185,895	\$ 109,632
Funds	Available Budget	Remaining after Project
TS-01003 – CIP/General Fund (FY 20/21)	\$100,000	\$90,368
TS-01003 – Gas Tax (FY 20/21)	\$100,000	\$0

The estimated \$90,368 in remaining funds will be returned to CIP TS-01003 for ongoing striping work to maintain safe roadways for vehicles, bicyclists, and pedestrians.

Comment: Resolution: In item two after the “NOW THEREFORE” a semi-colon is needed after the word “law.”

Answer: This has been corrected.

Item 3: Project Acceptance of El Monte Avenue Sidewalk Gap Closure Project TS-01038:

Question: Page 3 of the staff report says the final cost of the project was \$568,221.20, but the table on page 1 of the staff report says the final cost was \$683,391.11, which is correct?

Answer: The \$568,221.20 stated on Page 3 on the first paragraph under “Discussion/Analysis” is the final cost of the construction contract with FBD Vanguard Construction, which is the total of row two and three under “Final Cost” shown on the table on Page 1 (i.e., \$512,315.44 + \$55,905.76). This construction cost does not include the “Engineering”, “Inspection”, and “Printing/Advertising/Mailing/Misc.” items listed on the mentioned table, which will all add up to the total project Final Cost of \$683,391.11.

Question: What is the “5% retention paid to the Contractor?”

Answer: According to California Public Contract Code Section 7201, the 5% retention proceeds withheld from any payment by a public entity from the original contractor. This amount will be released 35 days after Notice of Completion is filed at Santa Clara County Recorder’s Office. The 5% retention for this project is \$28,411.06.

Item 4: Quarterly Investment Portfolio Report

Question: What would it take for the City of Los Altos to have a green investment portfolio (i.e., divest from companies engaged in fossil fuel production and other activities unfriendly to the environment)?

Answer: From PFM - The City can place an industry-based exclusion on fossil fuel-related industries at any time. PFM would recommend updating or amending the Investment Policy to detail this change.

For a more sophisticated approach, PFM would recommend meeting with the City to provide more information on the City’s ESG strategy options. PFM would work to understand Council’s investment and sustainability goals, collaborate on a customized approach, help update the City’s Investment Policy, and closely monitor the City’s portfolio after implementation. The City would also receive custom reporting that details the portfolio’s sustainability metrics on a quarterly basis.

Question: Does pfm have other client cities with a green investment portfolio? If so, how have they compared to our portfolio over the last year? Three years? Five years? Ten years?

Answer: From PFM – PFM prefers not to compare client strategies to one another. Each client has unique cashflow needs and investment requirements. With regard to performance, PFM hasn’t observed any performance trade off in adopting an ESG strategy. Attached is PFM’s performance InvestEd to help answer any questions. Please note that implementing an ESG

approach will limit the City's investment universe. PFM would work with the City in the initial planning stages to ensure that the portfolio would still be properly diversified.

Item 6: Prometheus Real Estate Group, Inc - 5150 El Camino Real:

Question: Why does staff recommend the proposed modifications to condition of approval # 26?

Answer: Condition No. 26 for parkland dedication is modified to clarify that a Memorandum of understanding (MOU) or Exclusive Negotiating Agreement (ENA) executing an agreement for negotiations for a potential park. Staff added language that stated that "In the event that an MOU or ENA is not executed by the parties prior to issuance of the project's first building permit, the applicant shall instead pay the applicable in lieu park fee" to confirm the City will be paid the in lieu park fee, if a park cannot be agreed upon in an MOU or ENA

Question: Condition 33 proscribes a pedestrian easement and condition 35 proscribes a EVAE. Please identify the condition requiring the interior lot to grant an easement to the owners/residents/invitees/etc. for vehicular ingress and egress?

Answer: The Vesting Tentative Map shows appropriate vehicular and emergency vehicle access to the site, appropriate and reasonable access and entry spaces to the ground level townhouse by way of 26-foot wide lanes with emergency vehicle access (EVAE) and private access and utility easement (PAUE) easements.

Question: Proposed condition of approval 42 requires the applicant to retain five townhomes to be designated as BMR units under certain conditions.

Answer: Yes. Upon completion of the townhouses on Lot No. 2, five townhouses shall not be sold for five years from the date of occupancy and shall be held by an entity controlled by Prometheus Real Estate Group, Inc. If 172 rental units on Lot No. 1 are not initiated within five years from completion of townhouses, the five unsold townhouse units shall be dedicated as affordable units. If the 172 rental units on Lot No. 1 are initiated within five years from the completion of the townhouses, the condition for five unsold townhouse units be dedicated as affordable will terminate.

Question: Please identify the condition requiring the applicant to comply with the City's policy of having Alta Housing identify residents for the BMR units, etc., in accordance with the City's new policies.

Answer: The conditions of approval do not require that the applicant comply with the City's policy of having Alta Housing identify residents for the BMR units, etc. In previous affordable housing applications, the City has not included a condition that "the applicant comply with the City's policy of having Alta Housing identify residents for the BMR units, etc., in accordance with the City's new policies." If the City Council wishes to add the language requiring "the applicant comply with the City's policy of having Alta Housing identify residents for the BMR units, etc., in accordance with the City's new policies," staff recommends the Council's motion revise condition No. 42 (Affordable Housing Agreement) with the specific language.

Comment: The diagram on page 5 of the staff report mislabels the flag lot as Lot 1 instead of Lot 2.

Answer: Yes, the diagram has a typographical error. The interior lot is lot No. 1, and the flag lot is Lot No. 2.

Comment:: p.10 of staff report - comments on changed conditions do not seem to line up with the attached revised conditions (assuming the version with redline was the entitled version, Resolution No. 2022-043.

Answer: Bullet No. 25 was repeated twice in the “clean copy” of the resolution, which resulted in the bullets not aligning with “redlined” copy of the resolution. The corrected “clean copy” of the resolution is uploaded to the City Council packet on the City website.

Comment:: (p.10 of staff report) Also, the new clean version does not match the redline version (with red- and blue-line corrections); in the clean version there are two items 25 and item 42 is missing (what was 42 appears to be 41 in the final). There may be other issues.

Answer: Bullet No. 25 was repeated twice in the “clean copy” of the resolution, which resulted in the bullets not aligning with “redlined” copy of the resolution. The corrected “clean copy” of the resolution is uploaded to the City Council packet on the City website.

Question: Condition 5- if construction is to be phased per Condition 6, what is the meaning/purpose of the second sentence (“The project shall provide the resident and guest parking spaces required for the rental and townhome units.”)?

Answer: The original project required phased parking, but phased parking is no longer required due to the applicant proposing continues progress in the development of the townhouse and rental buildings without phasing of the development.

Question: Condition 42 (redline – note: this appears to be Condition 41 in the clean version) says affordable units shall be deed restricted for 99 years. Please compare with Condition 25 which says “shall remain affordable for the maximum period provided by law.” Are these in conflict?

Answer: No, staff does not believe the language is in conflict. If the City Council wishes to add language to condition 25 that the affordable unit term “shall be for 99 years,” we recommend City Council’s motion include the condition with the specific language.

Question: Condition 42 (redline – note: this appears to be Condition 41 in the clean version) Please explain the blue-line addition at the bottom with respect to Condition 6.

Answer: The blue underlined portion of the condition is added language to the original condition, and it states” Upon completion of the townhouses on Lot No. 2, five townhouses shall not be sold for five years from the date of occupancy and shall be held by an entity controlled by Prometheus Real Estate Group, Inc. If 172 rental units on Lot No. 1 are not initiated within five years from completion of townhouses, the five unsold townhouse units shall be dedicated as affordable units. If the 172 rental units on Lot No. 1 are initiated within five years from the completion of the townhouses, the condition for five unsold townhouse units be dedicated as affordable will terminate.” While the applicant proposes a development of the townhouse and rental buildings without phasing of the development, staff wanted to include the language to ensure the availability of affordable housing for the development

Question: Will the applicant please describe, during the presentation, what AP0.22 purports to show?

Answer: Yes, we will have the applicant discuss Sheet AP0.22. Staff notes the applicant is not proposing any modifications to the building, and the sheet is unchanged from the previous approval by the City Council.

Question: Will the applicant please confirm, during the presentation, that the landscaping plan is the same as what was originally entitled? Please call out any differences.

Answer:

There applicant is not proposing changes to the landscape plan of any kind, including the west courtyard, central courtyard and pool courtyard. There are no changes, including, but not limited to hardscape, plant type, plant location, plant size, water usage, outdoor seating amenities, outdoor cooking amenities, planter walls, fences or tree disposition.

Question: Will the applicant please confirm, during the presentation, that the exterior materials plan and materials are the same as what was originally entitled? Please call out any differences.

Answer: There are no proposed changes to the buildings, including the exterior materials. The applicant is only proposing a vesting tentative map to subdivide the property into two parcels. The applicant will confirm, during their presentation, that the exterior plan and materials are the same as what is entitled.

Minutes

Question: Is there a reason the draft of the July 12 minutes is not included?

Answer:

They will be presented to the Council at the September 9, 2022 meeting.

Question: The consent calendar needs to include the minutes of the July 12, 2022 meeting which we haven't yet approved from the last regular meeting.

Answer:

They will be presented to the Council at the September 9, 2022 meeting.

Question: What about our minutes from the regular meeting on July 12, 2022?

Answer:

They will be presented to the Council at the September 9, 2022 meeting.