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**M E M O R A N D U M**

**DATE:** 2/14/23

**TO:** Councilmembers

**FROM:** City Manager

**SUBJECT: COUNCIL Q&A FOR FEBRUARY 14, 2023, STUDY SESSION AND CITY COUNCIL REGULAR MEETING**

**Study Session City Council Priority #9: Business Communities: City Council provide direction on the organized action items from Downtown Vision.**

**Question:** For each of the civic improvements/amenities proposed in phases 1, 2, and 3, please identify when the improvement will begin, when it will be completed, the estimated cost, and the anticipated source of the improvement.

**Answer:** City staff will try to answer this question as accurately as possible, but all timelines and costs are current estimates that may change depending upon staff resources and cost adjustments. It is difficult to provide exact costs and timelines when each project has not yet been fully explored. The estimated length of time highlighted below is how long it may take for each project from start through completion, not the time from now.

These are items the City Council has not considered previously and has not directed staff to explore. If Council accepts the projects and phasing, each item will return to Council as part of the normal process, through Council meetings, budget appropriations, or CIP planning.

Phase	Improvement	Length of Time to Implement	Est. Cost	Source of Funding
1	Permanent Parklets	9 months	\$0	Private investment
	Install Public WiFi	2 years	\$100,000 for research and pilot program	Downtown Maintenance Fund

	Standardize trash receptacles	12 months	\$10,000 - \$50,000	Solid Waste Fund
	Vector Control	Current/Ongoing	\$0	County partnership
	Explore more EV chargers	18 months	\$0	Local, state, and federal grants/private partnership. City staff is currently exploring funding for EV charger planning study.
2	First Street Streetscape	2 years	\$2,000,000 +	Public/private partnership with developers. General Fund or grants for City funds
	Improve Lighting	4 years	\$500,000+	Downtown Maintenance Fund
	Improve Electrical	4 years	Variable	Downtown Maintenance Fund
	Short Term Pothole	2 years	\$50,000	Street Resurfacing Fund
	Comp. DT Parking Plan	2 years	\$200,000 - \$400,000	Per the Housing Element, this will be from the general fund. However, it can come from another City fund.
3	Improve Wayfinding Signage	12 months	\$40,000	Downtown Maintenance Fund
	Install Activity Node	2 years	Variable	Park in Lieu Fund
	DT safety & circ. study	2 years	\$200,000 - \$400,000	General fund, but City staff can explore potentially combining the parking plan and downtown safety and circulation study if it is economically feasible and more cost effective.

**Question:** At what point would it be appropriate for the Council to discuss a one-way traffic loop downtown?

**Answer:** City Council can discuss any item at any time at their discretion.

**Question:** What plans do you have to conduct outreach from the community at large to obtain feedback?

**Answer:** Downtown Vision was adopted in 2019 after conducting extensive public outreach across over 30 events and two community questionnaires. Each individual objective under the proposed timeline will have their own stakeholders who will receive information as projects progress forward.

**Question:** Based on the recommendations, can you provide the itemized cost for each program in each phase.

**Answer:** See chart above.

**Question:** Are any of these recommended improvements currently in the CIP? (E.g. First Street Streetscape plan is in the CIP)

**Answer:** Currently, only the First Street Streetscape is in the CIP. The City Council will need to prioritize the needs listed here and balance them with projects city-wide.

**Question:** Please identify the exact locations of the “No signal zones”. Are they located on private property of public property?

**Answer:** These “no signal zones” are throughout the downtown in various locations.

**Question:** Can we explore corporate sponsorships or Federal, State, or County Grants for the EV chargers?

**Answer:** Yes, we can look into various funding sources as part of this objective.

**Question:** In phase 2, when we discuss the parking plan, it would be recommended that we change the hours of the loading zone. This is one of the low hanging fruits recommended by the planning commission to get more parking during the busy times of the day.

**Answer:** City staff can make a note of this when meeting with future parking consultants.

**Question:** Why are we revisiting the way finding signs. I believe signs have been modernized. Please explain.

**Answer:** City staff will look into the wayfinding signs to ensure that the signs are updated with the most accurate information for publicly available parking and other amenities within the downtown triangle that may have changed or will be changing.

**Question:** Would the activity nodes reduce or take away from the usable space that we may be generating revenue from the businesses who intend to pursue the outdoor dining program?

**Answer:** The activity nodes could be strategically located in different locations than outdoor dining. Depending on the nodes designed in may or may not use parking downtown.

**Question:** What are the timelines for the various phases?

**Answer:** See above.

**Item 1, Notice of Completion: Adopt Resolution No. 2023-XX for On-Call Sanitary Sewer Spot Repairs and CCTV Inspection Services for FY 21/22**

**Comment:** Proposed resolution, after the “Now Therefore. . . “:

- **Item 2: Replace “Environmental Services and Utility Director” with “the City Manager or his designee.”**

**Answer:** The Resolution was revised to address this comment.

- **Item 3: At the end of the paragraph, delete the period, add a semicolon and the word “and”**

**Answer:** The Resolution was revised to address these comments.

**Item 3, Amendment No. 3 to the Contract with Bear Electrical Solutions, Inc. for Traffic Signal and Streetlight Maintenance Services:**

**Question:** On the second page of the Resolution (page 20 of PDF), no vote has happened yet so votes shouldn't be shown.

**Answer:** Thank you for catching this error. The Resolution has been corrected accordingly.

**Question:** Instead of making an amendment to add a fifth year, wouldn't it be less expensive to put out an RFP for a new contract? Perhaps the City would save money by agreeing to a longer-term contract.

**Answer:** The amendment contract and budget increase is required to ensure the on-going maintenance operations through the FY 22/23 term. Bear Electrical Services is intimately familiar with the City of Los Altos and has been very responsive to the maintenance requests. Additionally, we are down to four out of nine staff on the Engineering team and based on available resources the City decided to process an Amendment Contract for the current FY 22/23. The City plans to rebid the on-call contract for the next three-year period starting in FY23/24.

**Item 4, Approve the Updated Fiscal Year 2022/23 Pay Schedule:**

**Question:** On the first page of the Resolution (page 30 of PDF), #2 in the Now Therefore's says: "Approves updating the City Manager's annual base salary to \$257,595 based on comparable market peers effective 07/10/2023; ... " but that pay adjustment was effective in 2022 not 2023.

**Answer:** The Resolution was revised to address these comments.

**Item 5, Minutes:**

**Comment:** Special Item E, the name should be Maxim Asmar (not Maxam), sorry for my previous confusion about the spelling.

**Answer:** Correction was made.

**Comment:** Also, there should be an additional Special item that mentions that we observed a moment of silence to recognize the mass shootings that had recently occurred in California.

**Answer:** Added to the minutes.

**Item 6, Consider a Resolution to Adopt a Policy Implementing SB 743 and Finding the Council's Action Exempt from Review Under the California Environmental Quality Act (CEQA):**

**Question:** Under what circumstances would a project be deemed to have a significant impact under the proposed VMT policy, but not our existing LOS policy (and vice versa)?

**Answer:** SB 743 replaces Level of Service (LOS) with Vehicle Miles Traveled (VMT) as how to measure traffic impacts in CEQA. Therefore, a VMT analysis for a project could theoretically result in a project VMT that would exceed the CEQA threshold and be considered an impact based on the projects land use and location characteristics but may not have a significant effect on LOS which measures vehicle delay at intersections.

**Question:** The staff report indicates that the proposed policy has several “major differences” from that proposed by Hexagon. Table 3 in the Hexagon report demonstrates how its proposed plan would have affected the development of past projects in Los Altos. Please explain how tables 3 would be different under the policy proposed in the staff report.

**Answer:** Using the proposed policy criteria, the outcome for 6 of the 7 sample projects in Table 3 would remain the same. The outcome for the 425 First Street project would be different in that it would be screened-out as a small project with 20 or fewer units and no VMT analysis would be required.

**Question:** Please apply the criteria in Table 4 of the Hexagon report to the policies in our neighboring cities.

**Answer:** Page 14 of Hexagon’s memo provides a table which compares Los Altos in the first column on the left to neighboring cities.

**Questions:** Regarding the CEQA Project Screening Criteria:

- Item 2: Is the 60,000 gross, sq. ft. threshold combined for all the commercial units in a proposed development? (E.g., would a project proposing two, 30,000 sq. ft. storefronts not qualify as a “local-serving retail” project and therefore not be presumed [based on its size] to have a less-than-significant transportation impact?)

**Answer:** The 60,000 square foot threshold includes the gross square feet of all retail land uses within the project.

- Item 4: Why are 100% affordable projects, regardless of their size, proposed to be considered as having less-than-significant transportation impacts?

**Answer:** Page 6 of Hexagon’s memo states “evidence suggests that affordable housing typically generates less VMT than market rate housing when located on infill sites. Thus, OPR states that 100 percent affordable residential developments may be presumed to have less than significant impact on VMT.”

- Item 5: Please translate this to plain English.

**Answer:** “Map-based” screening involves the use of transportation heat maps prepared by the Santa Clara Valley Transportation Authority, which compare VMT in various parts of the community to average VMT. Projects

located in areas with existing VMT at least 15 percent below average are presumed not to have a significant effect and therefore should be screened out.

- Item 5: What criteria will the Community Development Director use when exercising his “reasonable discretion?”

- **Answer:** The Director could assess whether updated local conditions, data, or information from the VTA would warrant an update to the maps.

- Item 6: Where are the state definitions of “major transit stop” and “high-quality transit corridor?”

- **Answer:** “Major transit stop” means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. Additionally, please see the attached Council memo from September 20, 2022 with more information regarding this topic.

- Item 6: Why does staff propose that proximity to a “major transit stop” and “high-quality transit corridor” might not exempt a proposed development from having a less-than-significant transportation impact if it meets any of the criteria listed in a, b, or c?

- **Answer:** The transit proximity screen is a screening criterion recommended by OPR which recommends that lead agencies should presume that certain projects (including residential, retail, and office projects, as well as projects that are a mix of these uses) proposed within ½ mile of an existing major transit stop or an existing stop along a high-quality transit corridor will have a less-than-significant impact on VMT. This presumption would not apply, however, if project-specific or location-specific information indicates that the project will still generate significant levels of VMT which criteria (a) through (c) can generally be presumed to.

**Questions:** Regarding the CEQA Thresholds of Significance:

- Items 1 and 2: Does this language mean that any proposed project that replaces an existing development – but which does not reduce VMT by at least 15% – will be considered as having a significant impact on VMT?

- **Answer:** Correct. However, mitigations may be implemented to reduce a projects VMT to below the threshold.

- Item 5: What criteria will be used to evaluate a mixed-use project?

- **Answer:** Each land use within a mixed-use project would be evaluated separately based on the significance criteria for that land use which are defined in the VMT policy.

**Item 7, FY22/23 Budget Appropriations: Approve and Adopt a Resolution for Adjustments to FY22/23 Budget Appropriations**

**Question:** Is having a budget of 51,928, 528 this achievable because we will not be receiving anymore AARPA funds?

**Answer:** Yes. The expenditure will not exceed revenues by the close of the Fiscal Year.

**Question:** Will we be able to maintain our 20% reserve?

**Answer:** Yes. The 20% reserve will be maintained.

**Comment:** On the first page of the Resolution (page 136 of PDF), the title at the top should be "Resolution No. 2023-\_\_", not 2022-\_\_.

**Answer:** The Resolution was revised to address these comments.

**Question:** Parks & Rec requests \$30,000 to "re-certify the City of Los Altos as an age-friendly city." Specifically, how will this money be used?

**Answer:** Approximately \$25,000 will be used for a consultant to coordinate the project. This includes but is not limited to coordinating and hosting focus groups, interviewing stakeholders, and compiling and analyzing data. Approximately \$5,000 will be used to create the required Action Plan to recertify as an Age Friendly City with the World Health Organization (WHO).

**Question:** Under "other budget adjustments," staff proposes not to proceed with a \$1 million payment to CalPERS. Recently, staff went to great lengths to explain to the community and the Council how important it is to make the CalPERS payments as previously proposed. Why is staff now making this recommendation? What will be the effect / how much will it cost the City to not make this \$1 million payment?

**Answer:** The \$1 million payment was proposed as an Annual Discretionary Payment (ADP) out of the City's "Covid Stabilization Fund." With the emergence of the in year deficit, Staff is recommending using these funds to stabilize the current budget without making unnecessary changes or reductions in service.

The \$1 million payment would have been in addition to the normal payment and the Unfunded Accrued Liability (UAL) payment to CalPERS. Los Altos has already made these payments this year. The result is the funded status of Los Altos will not increase further, but because the contractually obligated payments have already been made, it also will not decrease. In general, when funds are available, Los Altos should make ADP to CalPERS.

#### **Item 9, Commission Appointment Process.**

**Question:** Is staff's proposal that the Council can only review applications if (a) there is at least one application for a commission, or (b) that there is at least one application more than there are commission seats open?

**Answer:** City staff is proposing Option B that there is at least one application more than vacant commission seats.