



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

MEMORANDUM

DATE: 3/14/23

TO: Councilmembers

FROM: Assistant City Manager

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

STUDY SESSION

Question: The city contributed \$38k for the feasibility report. Can we get a copy of the report. Or are these slides the only work product?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What the total cost of this study?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What was the scope of work given to AMS?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Did they do the economic feasibility study that we were promised? If so, where is it.

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Where is the justification for the information on page 13? What is the chart of numbers based on?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Did they spend the \$38k on this report or is some portion retained for a future study?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What were the survey questions and where are the complete survey results? Was this a statistically valid survey, if so explain.

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What is the assumption for the revenues provided?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Is the theatre expecting the land for to be made available at no cost?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What percentage of the construction/maintenance cost is expected from the city?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What amount city staff and funds if expected for continued evaluation?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: How was \$1,000 a square foot determined when the community center demonstrated a higher cost per square foot?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: How does the surplus land act apply in this situation because it requires land to be used for housing first?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Will the Surplus Land Act (or any other statute) prevent the City from using a parking plaza for a downtown theater?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: Once completed, how much less (or more) will it cost the City to operate the proposed new theater compared with the Bus Barn Theater?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: If the Bus Barn Theater is replaced with a state of the art theater downtown, how can the City use the land on which the Bus Barn is currently situated?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Question: What is the estimated cost to the City to move forward as proposed by the Downtown Theater Working Group?

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Comment: Please provide a copy of the report from AMS Planning and Research.

Answer: This item has been postponed. All questions will be provided to the Downtown Theater Working Group.

Item 1. Minutes

Comment: Page 5, second line of the first ¶: “Mayra” should be “Myra.”

Answer: Corrected.

Item 2. Award Construction Contract for Sewer System Repair Program, Project WW01001:

Question: What is the locations of this project in which the sewers will be repaired?

Answer: The sewer main replacement for this project is along First Street between San Antonio Road and Plaza South.

Question: How does this relate to the sewer tax increase?

Answer: The sewer rate increase covers the expenses for CIP projects, the operation & maintenance of the City sanitary sewer system, and the expenses related to the Palo Alto sewer treatment plant. This project is one of the CIP projects identified in the Sanitary Sewer Master Plan.

Question: How much money is currently in our sewer fund?

Answer: There is currently \$13 million in the sewer fund.

Question: In the future can we implement a sewer fee for new developments?

Answer: Currently, a sewer capacity study report is required for new development to determine if the existing main(s) needs to be upsized. In the case that the existing main(s) cannot handle the proposed flow from the new development, the developers are required to replace the existing sewer main(s) with larger pipe(s) to accommodate the increase of flow.

Question: What is the Add Alt?

Answer: The Add Alt includes replacing and upsizing an existing 6-inch sewer main segment to an 8-inch sewer segment in the South Plaza. This sewer segment is downstream of the sewer mains that will be replaced on First Street, included in the Base Bid.

Comment: In the third “Whereas” of the proposed resolution, the “T” in the word “The” should be lowercase.

Answer: This revision has been made.

Item 3. Receive and Accept: Quarterly Investment Portfolio Report

Question: How does staff and PFM expect the failures of SVB and Signature Bank to affect our portfolio?

Answer: Per PFM, the city holds no SVB debt. SVB debt is not a name that we purchase.

Question: What is the benefit of having money in LAIF? Why not have it all privately managed? (Or vice versa?)

Answer: LAIF provides more liquidity with fairly low risk. The city investment policy specifies what we can invest in the city’s portfolio to limit the risks.

Item 4. Adopt Housing Element Update Ordinance:

Question: Can a color key be provided for attachment 2 - CSC comprehensive review pdf. (To define the meaning of yellow, red, and no highlight)

Answer: Below are the two bullets that were included in the memo which outlines the CSC comprehensive reviews:

- Red Indicates Cancelled Meetings
- Yellow Indicates Meetings which involved the review of a Housing Development

Question: On February 28, the Council directed staff to delay the implementation of this ordinance until 1/1/24 so that the CSC could have an opportunity to develop objective standards. Where is that direction incorporated into the ordinance?

Answer: City staff can address this question during the meeting.

Item 5. Receive and Accept: Treasurer's Report –

Question: Where do I find the amount of interest for the loan of the community center?

Answer: In the estimated cash balances report under Debt Services Fund, there is a line item for community center lease. The lease payments are twice year at the December and June. December payment is interest only, and the June payment is Interest + principle. The \$104,114 in December was the interest payment.

Question: In the report titled: Change in Total Fund Balance, many of the funds are down. Do we expect that we will be able to recover by June 2023?

Answer: The decrease in the fund balance is temporary. This decrease is due to the city's CalPERS annual payment, General Liability insurance, and worker's compensation insurance payments being all paid either in July or paid half of the annual payment in July. Meanwhile, the city's revenues do not come in evenly. Our biggest revenue source, property tax payments, are not received until January.

Question: Is there a plan for recovery?

Answer: The city is recovering from the COVID-19 pandemic. In FY22, the city's revenue increased to 67.31 million, which was an increase of \$5.83 million, or 9.5%, compared to the prior year. There are multiple items that will aid in recovery: a steady increase in property tax increase, increased revenues from the reopening of the community center and other facilities, and upcoming or active development projects.

Item 7. Single-use Foodware Accessories and Condiments:

Question: Have we conducted any outreach to understand the financial impact on the business owners at this time?

Answer: The law has been enacted by the state already so the City must adopt this ordinance in order to enforce it if necessary. The adoption of the ordinance by cities is a requirement of the state law, but the state law already applies.

That said, the law essentially requires that businesses not provide certain single-use accessories or condiments except upon request, which would reduce the businesses' costs of operation as they would need to purchase fewer accessories and condiments. It is possible but unlikely that businesses may incur additional costs if they use a third-party platform for food ordering that does not currently provide the option for customers to request certain accessories or condiments; that platform would need to be modernized statewide in order for all business customers to comply with the statewide law. Finally, there could be costs to the businesses if they fail or refuse to comply (see more detail in the next answer).

Question: Might this be too soon as the business are coming out of recovery?

Answer: We expect that businesses would not incur additional costs above their current operating costs for compliance. City staff expect that enforcement will primarily be on a complaint basis, and several warnings will be given before enforcement action is triggered, thereby giving businesses plenty of warning and time to adjust their operations to comply.

Question: What is a “single use foodware accessory?” Individually wrapped plastic ware? Individual packets of ketchup? A napkin?

Answer: A “single-use food accessory” as defined means the following single-use items provided alongside ready-to-eat food: Utensils (forks, knives, spoons, and sporks), chopsticks, condiment cups and packets, straws, stirrers, splash sticks, and cocktail sticks. Plastic ware and packets of ketchup are included, but napkins are not.

Item 8. AB 481 Military Equipment Use Annual Report:

Question: The staff report says that we are being asked to “renew and review” ordinance 2023-489. Isn't this the first time we are seeing this proposed ordinance? If so, then what is it that we are “renewing?”

Answer: AB 481 requires that the ordinance be reviewed and renewed annually which also approves the Los Altos Police Policy 709.

Item 9. Gas Powered Leaf Blower Enforcement:

Question: How many inspectors will be acting as code enforcement officers?

Answer: The City Manager will assign staffing based on the needs of the organization. Currently, the City has three building inspectors.

Question: To become code enforcement officers, what training is offered?

Answer: The City Manager is responsible for ensuring that all staff are properly trained, including code enforcement officers. As each jurisdiction is different and has different codes, there is no standard training.

Question: How much of the duty of code enforcement takes away from their day to day responsibilities as building inspectors?

Answer: As noted, the City Manager is responsible for ensuring that adequate staffing is provided to properly accomplish all work necessary, including inspections and code enforcement.

Question: Is a new dedicated code enforcement officer needed?

Answer: As noted, the City Manager is responsible for assignment of staffing. If additional funds are needed for employees, those will be proposed as part of the budget.

Question: What is the existing citation criteria for gas powered leaf blowers?

Answer: When a complaint is received code enforcement will visit the location/site, if the operator of the gas powered blower is operating the code enforcement officer will provide a verbal warning for the first time offense, and if it has occurred before then the code enforcement officer will issue a citation as the use of gas powered blowers is prohibited.

Question: Please provide statistics about how many citations of the gas leaf blower ordinance were issued each month over the past several years.

Answer: Because the city has migrated from different permitting and reporting systems extensive historical knowledge is not readily available, nor is the data we do have significantly accurate. However,

since July of last year we have received approx. 20-30 complaints each month. This could be greater depending on the number or email address that is utilized by the public.

Question: According to the staff report:

When a [code] violation is identified a community member reports the violations to the City's Code Enforcement Officer, who responds to all Municipal Code violations. The Code Enforcement Officer responds to the reported violation to investigate. Law requires the Code Enforcement Officer to personally witness the Municipal Code violation to enforce the regulation.

So, unless and until the City finds a solution to effectively and timely investigate code violations, as a practical matter what effect will any of the five policy considerations proposed by staff really have on the problem?

Answer: The policies that are before the council tonight are in line with the recommendations that the public has requested over the last few months when speaking with city staff. This is also the direction that other cities like Palo Alto are moving towards for attempting a new method of enforcement.