

**DATE:** 8/27/2024

**TO:** COUNCILMEMBERS

**FROM:** CITY MANAGER'S OFFICE

**SUBJECT:** COUNCIL Q&A FOR AUGUST 27, 2024 CITY COUNCIL REGULAR MEETING

**Agenda Item 1 (Minutes):**

- Please see the accompanying pdf.  
**Answer: No changes were made. There were two recesses where the recording was paused, and the end time reflected on the minutes is correct.**

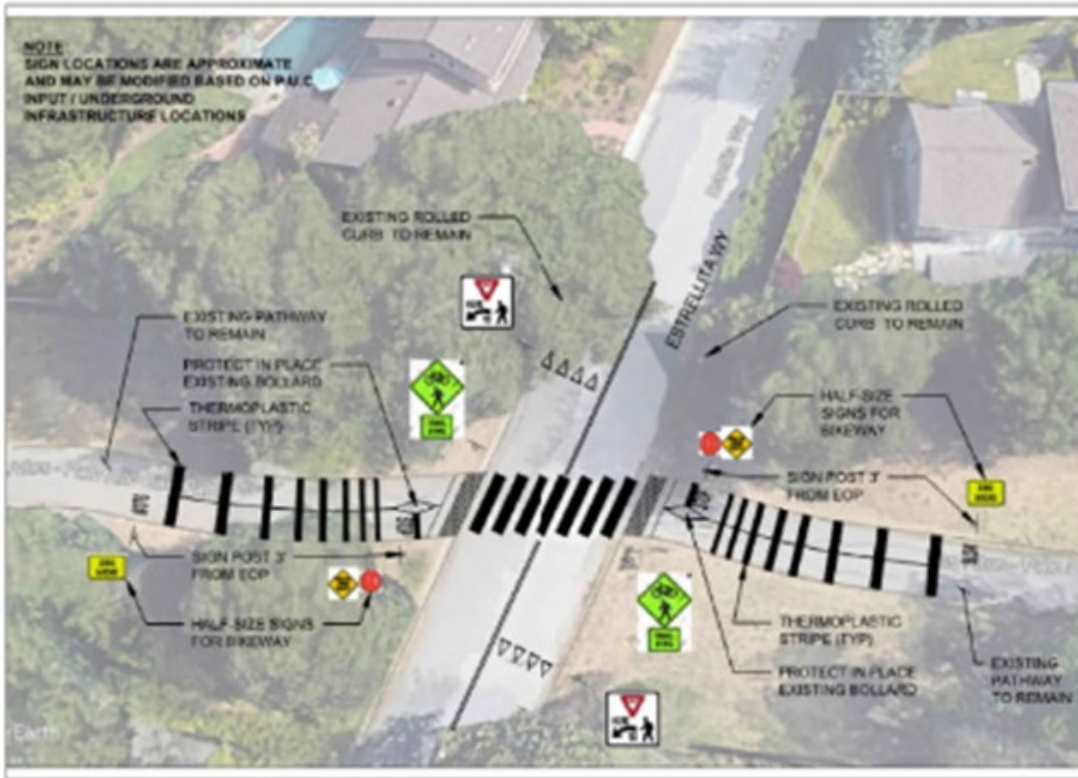
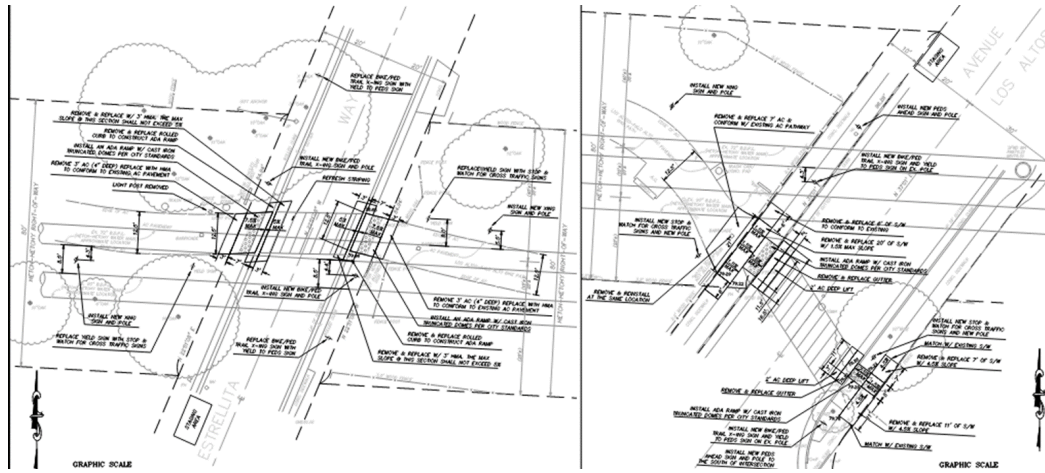
**Agenda Item 2 (Resolution Amending the FY 2024-25 CIP budget):**

- Please provide a description and photo of the intersection access barrier that we are referring to.  
**Answer: The existing intersection access barriers consist of two non-compliant ADA ramps on Los Altos Avenue and two sections of rolled curb on Estrellita Way. Please refer to the photos below.**

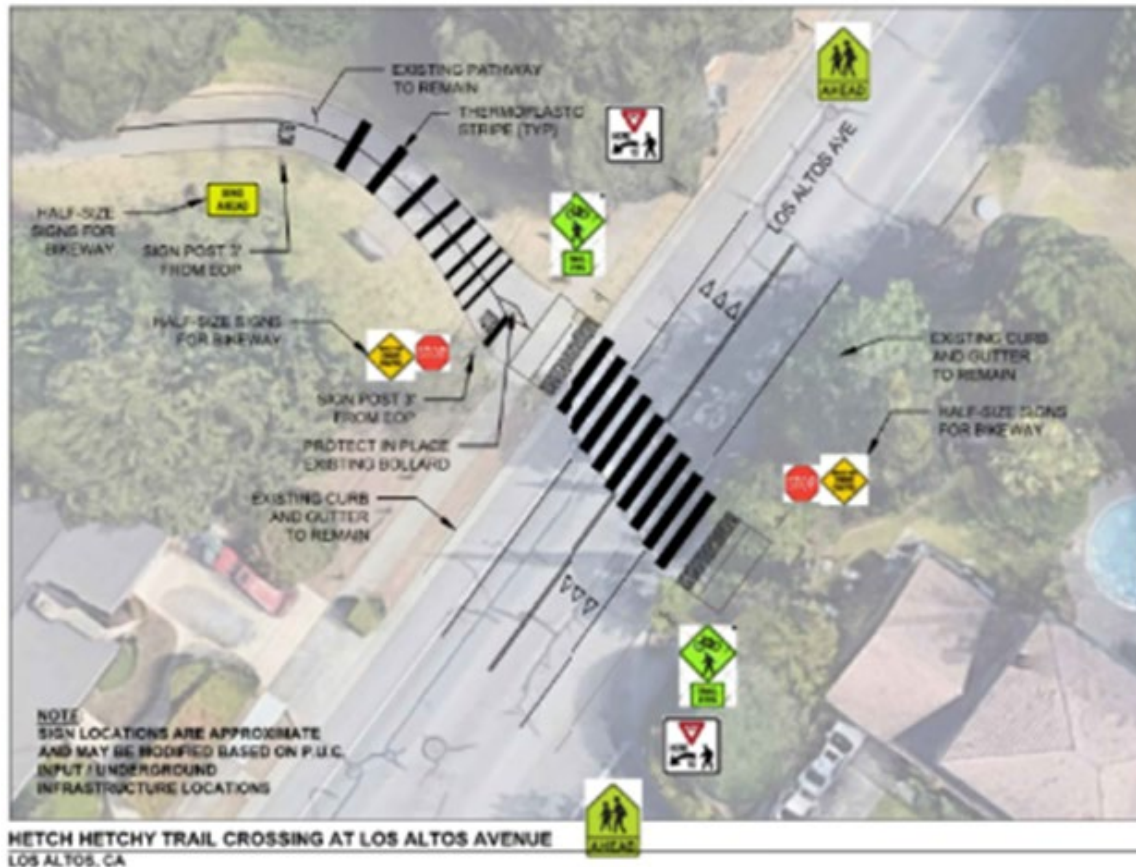


- Please include a diagram of the intersection improvements after completion of project improvements.

**Answer: See drawings below.**



**HETCH HETCHY TRAIL CROSSING AT ESTRELLITA WAY**  
LOS ALTOS, CA



- What is the final total cost of this project after this increase is improved?  
**Answer: The final cost of the project will be determined after the project goes out to bid and is awarded.**

**Agenda Item 3 (County Mitigation Plan):**

- Attachment 2, pg 194 (page 565 of the packet) refers to Attachment 1, Figure 59, pg 236 (page 291 of the packet) which says that "3,242 residents are located in the dam inundation area from Stevens Creek Dam" in case of its failure. Looking at Figure 59, there isn't enough detail to see the specific areas in Los Altos that could be impacted. Can you share a diagram showing in better detail the areas of Los Altos that are at risk in case of failure of Stevens Creek Dam?  
**Answer: The City is concurrently updating our jurisdiction specific Safety Element. The local Safety Element will provide this diagram requested, and it will specifically depict any local hazard such as impacts associated with a failure of Steven Creek Dam.**

**Agenda Item 6 (Resolution Declaring Certain Property as Surplus Land):**

- Lessons learned from 330 Distel:
  - Even with the County donating the land, EAH struggled to raise the funds needed to build an all-affordable housing development at 330 Distel. How will a private

developer be able to raise the funds to build a similar, all-BMR development if they not only have the cost of construction, but also must (1) either purchase or lease the land; and (2) construct 226+ parking spaces?

**Answer: At this time, we are unsure if a development proposal will include a 100% affordable development; a proposal could include a mixed income development which has a substantial amount of affordable housing on the site. The city will work with our own third-party financial consultants to produce pro-forma prior to the completion of negotiations or a transaction of land; that pro-forma will verify the financial feasibility of development which would include (number of parking to be replaced, number of units or the density, etc.)**

- Suppose the City enters into a development agreement with a developer. If the construction of parking spaces makes the project cost-prohibitive, will the developer be able to unilaterally relieve itself of the obligation to construct the parking spaces under the AHA as we just saw at 330 Distel?

**Answer: No. The replacement of parking as a part of the transaction of land is a contractual requirement; this can also be seen as a contingency on the transaction itself. The Housing Accountability Act (HAA) as well as State Density Bonus law, allow for things such as incentives, concessions and waivers to deviate from Development Standards of locally adopted Zoning Ordinances. The replacement of onsite parking is not a requirement of the Los Altos Zoning Code, rather the replacement of onsite parking is a requirement on the transaction of land. City staff have discussed the requirement of replacement parking with HCD staff who specialize on SLA transactions, and this requirement is commonly being seen around the State.**

- If the Council adopts the proposed resolution, what are the next steps?

**Answer: The Notice of Availability (NOA) will close in September 2024; City staff will review the letters of interest received. Once reviewed, staff will consult with HCD staff to ensure compliance with the SLA. Based on information received by HCD staff and any letters of interest received City staff will return to the City Council to discuss the following specific process and procedures to occur for SLA compliance.**

- Please provide a map showing the locations of parking lots 7 & 8 in the downtown area

**Answer:**



- In Program 1.H there is reference to hire a third-party to analyze what the minimum financially feasible issuance is to provide affordable housing for 20 or 55 years at a zero cost for the lease of the land. If Council agrees to lease the land at a zero cost, would the Lessee have to provide for the replacement and maintenance of 226 parking spaces?  
**Answer: Yes, unless otherwise negotiated as a part of an agreement.**
- If the land is sold to a new buyer would the new owner have to pay for and provide the replacement parking and maintenance of the new parking facility to utilized by the public?.  
**Answer: Yes, unless otherwise negotiated as a part of an agreement.**
- The resolution seems to be missing language that the replacement of the 226 parking stalls would be the responsibility of the purchaser/lessee?  
**Answer: That is incorrect and would not be contained within the resolution for declaration of surplus, that would be contained within the resolution which transacts the land, as well as the sale or lease agreement.**
- If Council would elect to enter into a lease agreement, would it possible to get fair market value to lease the land?  
**Answer: the Surplus Land Act allows for the City to obtain Fair Market Value for the parcels.**
- Please lay out all the steps in the process after we receive the proposals from the RFP issued?  
**Answer: the Notice of Availability (NOA) will close. Staff will review the letters of interest received. Staff will consult with HCD about the letters of interest received to ensure compliance with the SLA. Staff will bring the parcels and potential negotiations**

**to the City Council for consideration. The City will negotiate with interested parties to determine if an agreement can be reached for the transaction of land.**

- What if there is a single interested party that wants to develop something other than housing? Can we restrict the uses to only development of affordable housing? Put another way, what is the risk that someone buys/leases the land but doesn't intend to build housing and we have no offers for development of housing?

**Answer: the Surplus Land Act protects this from occurring, additionally we have this included into the sale or lease agreement with the City.**

- Have we received any notices of interest yet, and if so, how many?

**Answer: Yes. At this time we have received five. The city anticipates receiving more before the NOA concludes.**

- Please note that there was a typo in the NOA for the email address to reach Monica, "mgallardo@loaltosca.gov", it's missing the 's' in 'los'.

**Answer: Noted.**

#### **Agenda Item 7 (Declaration of Nuisance):**

- Resolution: In the NOW THEREFORE clause, the word "TAKE" is misspelled. (First line of the second page of the resolution.)

**Answer: Noted. This will be corrected in the final document before signature.**

- Can the City place an involuntary lien against the property to secure our costs to abate the nuisance?

**Answer: Yes, this is also outlined in the Los Altos Municipal Code for the recovery of costs following a nuisance abatement.**

- If the City takes action to demolish the building, how do the costs get recovered?

**Answer: This is outlined in the Municipal Code but in short, the City will place a Lien against the property with the County Assessor's Office.**

- If action is taken to demolish the building on Tuesday, how long will it take to demolish the building? Can we expect that it will be completed within the next 6 months?

**Answer: This would occur within the next 60 to 90 days.**

#### **Agenda Item 8 (Development Impact and In-Lieu Fees):**

- What is the fiscal impact of removing the development and in-lieu fees?

**Answer: No fees will be removed, rather the city will not collect fees on Below Market Rate units within the City. The City currently requires 15% inclusionary housing units/affordable housing units in the city for any development greater than five units. The city will not capture impact and in-lieu fees for those units.**

- What is the fiscal impact that we may fail to collect if we adopt the recommendation before us?

**Answer: the Development Impact and In-Lieu Fees were adopted June 25, 2024, and became effective on August 24, 2024. This Ordinance is only for the administrative function of the requirements of Fees.**

- If we choose to adopt the original recommendation and supported by the nexus study that the Assistant Manager, Nick Zornes provided, how much more revenue would the city receive?

**Answer: This is dependent on the amount of development that the city will see in future years.**

#### **Agenda Item 10 (Parking Enforcement and Restrictions):**

- What is the cost to the City of hiring a second CFO? What are the pros and cons of hiring a second CSO as opposed to hiring an outside party to perform enforcement?

**Answer: The cost of hiring a CSO is approximately \$165,000 excluding any overtime pay, paid time off, cashouts, or the unfunded accrued liability (UAL) payment due to CalPERS for employee pension cost.**

**Hiring a part-time CSO is approximately \$50/hour and could be hired for up to 960 hours per year or \$48,000/year, also excluding any costs listed above.**

**Additionally, these costs exclude equipment necessary to complete the job of parking enforcement including a vehicle, handheld ticketing equipment, uniforms, etc.**

**Without completing an RFP and knowing what the market for private parking enforcement will return, it is difficult to complete a pro/con list. Ultimately the city is looking to complete proactive parking enforcement, that is not done now, while balancing the cost with the service expectation. The primary “con” to hiring additional CSOs is the City will likely receive less coverage for proactive parking enforcement at an increased cost.**

- What has been San Bruno’s experience with their parking enforcement solutions?  
**Answer: San Bruno reports they have had a positive experience with their private sector parking enforcement partner. It has allowed them to reassign their CSOs to issues they consider to be higher importance.**
- Do any of staff’s proposed solutions reduce the size of our public safety department in any way?  
**Answer: No.**
- Is staff’s proposals solely designed to enforce parking regulations or are they designed to generate revenue?  
**Answer: The proposal is to proactively enforce parking regulations balancing cost with service expectation. The staff report states a percentage of the cost of a private sector contract, up to 100%, could be offset with revenues collected. The goal is to enforce parking, not generate revenue.**

- What are the financial savings of hiring an outside private sector enforcement service vs. employing another 1.5FTE law enforcement officer?

**Answer: Hiring 1.5 CSO would cost approximately \$210,000 excluding overtime pay, paid time off, cashouts, or the unfunded accrued liability (UAL) payment due to CalPERS for employee pension cost. This estimate also excludes the equipment necessary to do the job (vehicles, handheld ticketing equipment, uniforms, etc.).**

**The City has not released an RFP so we cannot compare costs at this time. It is expected a private sector company, when considering revenue and expenditures, would cost less in annual and on-going costs than hiring additional personnel in the Police Department.**

- What hours of the day or evening would the contract service be covering?

**Answer: The City can define the hours and days for contract parking enforcement.**