



POLICY AND SERVICES COMMITTEE

Special Meeting
February 25, 2010

Chairperson Yeh called the meeting to order at 7:09 p.m. in the Council Chambers, 250 Hamilton Avenue, Palo Alto, California.

Present: Yeh (Chair), Holman, Price, Shepherd

Absent: none

1. Oral Communications

None.

2. Presentation on City Sustainability Initiatives

3. Policy and Services Discussion and Recommendations on Committee and Council Priorities Workplans

Chair Yeh. Discussed First

Assistant City Manager, Kelly Morariu spoke regarding the notes from the last session. She said this meeting was intended to continue the brainstorming from the last Policy and Services Committee meeting. The target date to bring the results back to Council was March 29, 2010.

Chair Yeh said that in the last meeting they spoke regarding methodology and how they would prioritize.

Council Member Shepherd said she thought the Mayor had canceled the meeting scheduled for March 29th. She asked if that meant this would go into April.

Ms. Morariu said they would probably look at an April date.

Council Member Holman said she was interested in hearing Staff's input on this. The Committee had stated their thoughts, now it would be useful to hear how Staff would interpret what came together.

Ms. Morariu reviewed the changes Staff made to the document. She said that Staff reviewed the list created by the brainstorming session at the last Policy and Services meeting and added some items, including, under Land Use and Transportation Planning, Comprehensive Plan, they added Vision Statements and Growth Projections. Staff changed Planning to Planning/Building Processes. Under Planning/Building Processes they changed Code Changes to Zoning Changes and added the following bullet points; 1. Support Business, 2. Process Revisions, 3. Community Needs, and 4. Follow Ups to Zoning Ordinance Changes. They added as Major Projects, Stanford University Medical Center and High Speed Rail. She said Staff would like direction on the Neighborhood Visions and Tools to Achieve item. Under Bicycle/Pedestrian Access, Friendly Staff changed the language to reflect it was the Bike and Pedestrian Plan, not just the Bike plan. Under Emergency Preparedness/Organizational Aspects the only change was to add Identify Funding Availability and Opportunities. Under Disaster Preparedness/Mitigation they added the Wild Land Fire Plan Implementation, Explore Funding for Station 8 Staffing, and Encourage Community Involvement for Emergency Preparedness. Under Earthquake, Staff added Stanford University Medical Center Project, Public Safety Building, and Mobile Command Vehicle. Staff also added four bullets under Disaster Response; Completion of Recovery Plan Annex for the Emergency Operations Plan, Update of Vision Statements and Growth Projections under the Land Use And Transportation Planning item. They added Building Processes under Planning Process. Code Changes changed to Zoning Changes. Under that were Supporting Business, Process Revisions, Community Needs, and Follow-Ups to Zoning Ordinance Changes. The major projects did not change. Under Bicycle Pedestrian Access was a language update.

Council Member Shepherd said there was a meeting recently regarding Community Collaboration for Youth and Well Being. She noted that the items on the list were shifting and asked if they were in order by priority.

Ms. Morariu said it was not in any order and could be rearranged.

Council Member Price said there were several ways to review the list, starting with reorganizing it into items that were mandatory, and items which were important but not truly mandatory. She said the list was too long and needed to be condensed. She said it would be helpful if the Committee had Staff's perspective regarding the labor, resources and time needed to come up with products that are meaningful. There was no process in place that allowed Council to be aware of Staff labor time and resources required to accomplish all

the tasks. She said that the City of Sunnyvale had a historical approach, they assigned resources as needed, then Council ranked the list, and Staff assisted Council in determining what work could be done.

Ms. Morariu agreed. She said that Staff was working through this new process as well. She thought that it would be good to determine which items on the list were initiatives they are already working on. Staff needed to determine what was mandatory and what items were currently being worked on. For new projects they would need to identify what resources would be required. The See It site provided priorities, strategies and target statements. She said that Staff would clean the list up and then go to the actions required to accomplish the strategies on the list. She said that Staff had a meeting with the City of Sunnyvale to discuss their work planning system in the upcoming week.

Council Member Price said that there was a combination of processes, concepts, and products on the list and she wanted to know if there were ways to nest them. She said this was looked at as an annual list, even though some of the work would continue beyond the year.

Ms. Morariu said there were projects on the list that would go beyond the current year. The areas listed were the areas Staff wanted to get some valid progress made during the current year.

Council Member Holman said it would have been helpful to receive the list in advance instead of at places. She said that at the last meeting they discussed having a timeline so Council could know how to help Staff prioritize. She said that some topics needed clarification.

Ms. Morariu said Staff was still updating the list. The follow-up to the zoning change was brought up when the update was completed; there were follow up actions that needed to occur.

Council Member Holman said it would clarify the document to list Follow-Up to Zoning Ordinance Update rather than Changes. She added under City Finances, a Public Works Oversight Commission should be added. The Community Town Hall meetings should be added to Youth Health and Well Being or Planning.

Ms. Morariu said that the Town Hall Meetings could be an overarching outreach strategy that touches any of the items.

Council Member Holman said that was a good idea. The concept of an overarching mission for the Council Priorities had been discussed before. She said that whether the mission statement ended up being the Henry Clay quote in the pavement entering City Hall, or it ended up being Responsibility in the

Public Trust, as the Council is setting priorities, they must remember what the purpose is.

Chair Yeh spoke regarding the prioritization of the list. He said that categories that could be used were required versus discretionary, whether or not a board or commission was in place to support the priority, single versus multi year, single versus multi departmental, quantified personnel resources, currently underway versus to begin, and whether or not they were clear deliverables. In previous years, priorities came back prior to mid-year. Council would get a matrix where the final column listed specific activities. That level of detail was more concrete for the Committee; it would be good to know if the City Managers Office was requesting that level of input. Or did they want the Committee to vet the community meetings that have been discussed.

Ms. Morariu said Staff could use the Committees assistance to prioritize items that were not required.

Council Member Price said the Sunnyvale Council had a study issue outline that would benefit the process. It could be truncated and modified to make a useful version of the list.

Council Member Shepherd said this process needs to be kept simple. Too many priorities cloud the issues. She said that if the City gets through employee contract negotiations and Stanford Hospital it will have been a good year. She said that town hall meetings are important to keep the communities needs in the forefront.

Ms. Morariu said there was an enthusiasm among Staff to have a workplan that was tighter around the Council Priorities. She said it was important to not create a system that created more work. An easy, straightforward system would be required to keep balance with an already overworked Staff.

Council Member Shepherd said they need to figure out what Staff can get accomplished.

Council Member Holman suggested they focus on project goals that were required, and projects that might generate funding. She said that Staff was limited, and the planning and building processes should be made more efficient to help free some Staff time.

Chair Yeh said there had been conversation between himself and the Finance Committee Chair Schmid regarding restructuring city services as related to the Community Town Hall Meetings. He wanted to know what information from the community would be helpful for the Finance Committee as they approach the

budget process. He asked the Policy and Services Committee Members for feedback regarding what they would find beneficial information to learn from the public.

Council Member Price said Staff had experience creating outreach programs and connecting with stakeholders. One option might be to examine previous outreach efforts. Recently the school district did an outreach regarding the proposed budget cuts at Palo Alto Unified School District. She suggested Staff review their process.

Ms. Morariu said that last year they did a couple of community budget forums. There was not a high level of community participation. The City Manager posted a video of the presentation on the website. For the current year Staff was planning to use more of a grass roots approach with, smaller venues, and more Staff being engaged in the process. They had also discussed having materials for Council and Staff to use in their day-to-day informal conversations with the public. She said she was familiar with the School District's outreach program, it was very comprehensive.

Council Member Shepherd said it was a good plan to be more grass roots with the outreach. This could be a precursor for upcoming taxation conversations. This also starts to build community.

Council Member Holman agreed stating that community meetings were a good way to build community support. The more Staff and Council can communicate with the public, and demonstrate the sincerity in their attempts to be financially responsible, the greater the participation we'll get will be. The City will need some solutions from the community. She said the community is very intelligent, varied, and experienced; their input should not be discounted.

Chair Yeh said the Town Hall Meetings were reality checks given the budget. He added that they were opportunities to remind the public that Palo Alto had some great rebate programs such as energy efficiency and low flow. He said it would be beneficial to have a range of programs for the public to review. Rather than communicating what programs the City will cut, Staff and Council could show them a list of programs available and how much the programs cost the City to run, and then ask if they are willing to pay for them. Perhaps with programs that have low participation, the City can partner with some non-profit partners.

Council Member Shepherd said some cities have asked residents to bring their lawn mowers down to city parks to mow the grass. She said they have to ask the value of these services and which ones the public really desires versus what we think they want.

Council Member Holman said that volunteer efforts should be added under Restructuring City Services/Public-Private Options. She voiced concern about using the term "streamlining", and stated that the year should be attached to the Zoning Ordinance Update.

Ms. Morariu said a preliminary list of mandatory programs and a matrix analysis of projects being worked on could be discussed at the next Policy and Services meeting. She said that Staff would like to hear about any strategies the Committee felt were missing from the list.

Council Member Shepherd said that City/Schools were trying to put together measurables for safety.net and that should get listed. She said there were gaps with the commissions regarding issues such as urban design.

Ms. Morariu asked if it was gaps between specific commissions.

Council Member Shepherd said that no one was looking at it.

Council Member Holman said there were fractured review practices. She stated that for example, the Planning and Transportation Commission had prevue over variances, while the Architectural Review Board had prevue over design enhancement exceptions. This created a fractured project review process when it could be an overall process evaluation.

Council Member Holman said perhaps under Land Use and Transportation there should be another bullet with Process Review to address the problem.

Council Member Shepherd said no one knew what others were looking at. The notification process would help the community understand the process better.

Council Member Price said the details were in the Municipal Code. Under revenue generation, it was implied that Evaluation of New Revenue Sources were issues related to bond measures, parcel taxes, and business license taxes. She said that rather than have the community come and mow the city's lawn, she would like to see a program where Staff is paid to mow the citizen's lawns as a revenue generating source.

Ms. Morariu said that revenue generating fell under a few places on the list. Looking at the whole range of possibilities would be part of the budget conversation.

Council Member Holman said that under City Finance it seemed it would be clearer if item one was followed by item four and then item three. They were

tightly related where as the others were more related to each other. She said that Innovative Strategies or Business Vitality were vague terms. Having a proactive approach to attracting retail and services and looking at business and retail retention could be done through simple, inexpensive programs and wasn't conveyed on the list. She said that Planning Process and Project Review Evaluation should be added under Land Use and Transportation.

Council Member Price said that process review and evaluation was related to a clarification of roles and responsibilities and processes within the various responsibilities.

Council Member Holman agreed, adding that the roles were on many occasions identified in the Charter.

Council Member Shepherd said the planning and development process should be clearer so that the community has confidence, committee time isn't being wasted, and the City doesn't turn down revenue.

Ms. Morariu said communication and clearly defining roles were important.

Council Member Shepherd said clearly defined roles for the commissions was critical. Trying to get the community to help define that would provide answers.

Council Member Holman said that having clarity serves the applicants as well. The City often follows different processes for the same types of projects.

Chair Yeh added that under City Finances for Business Registry there were three areas that would be beneficial to be addressed: Child Care Needs, Emergency Preparedness, and Broadband Needs. He stated that the Utilities Department had been in and out of the Development Center. Much of the duplication of processes could be centralized.

Council Member Price asked what the State and regional requirements were for disaster preparedness. She said many communities had required programs and protocols in place.

Ms. Morariu said Palo Alto's Emergency Operations Plan had been used as a model for other communities. It had been expanded and Staff was looking at ways to further enhance it. The Recovery Plan also had requirements, but Staff had worked to enhance the program by looking at the top ten sales tax revenue generating businesses and developing a method of outreach to make sure they had a recovery plan.

Council Member Price said that our own Police, Fire and Staff live outside the area. She asked about the back up plan if Staff wasn't available during an emergency.

Ms. Morariu said if a disaster were to happen during a time of day when Staff was at work, all City Employees were Disaster Service Workers and would respond appropriately. During off hours, Employees would be expected to report to work as soon as possible. The City had arrangements with local hotels to house Staff in an emergency so they could stay in the area. She said that while they had some plans in place there were still challenges. An event happening in the middle of the night when it would be difficult for Staff to get back would be an obvious challenge. Staff was looking at ways to prepare the community for self reliance.

Council Member Shepherd said she met with the Emergency Preparedness Block Captain. She was impressed with the program. She added that some of the Block Captains might not be in the area if a disaster were to occur during the day. Back-up plans must be implemented.

Ms. Morariu said some of the other items on the workplan that would go back to Policy and Services were the Social Media Policy, Stanford Hospital Fiscal Analysis, Cost Recovery Policies, and the Budget Outreach Process.

Council Member Holman asked when the Stanford Hospital Fiscal Analysis would be presented to the Committee.

Ms. Morariu said it was tentatively scheduled for April 13, 2010.

Council Member Holman asked when it would be released to the public and what the status of completion was.

Ms. Morariu did not have those details.

Council Member Holman said it had been close to completion and they were hoping it would be released prior to April.

Ms. Morariu said she would discuss it with the Planning Director.

Chair Yeh asked about Council Roles and Protocols. He said that they had discussed whether or not the Policy and Services Committee should discuss it first. Currently they were visualizing the issue going straight to the full Council.

Ms. Morariu said there was one issue around Boards and Commissions Liaison Rolls.

Chair Yeh asked when that was scheduled.

Ms. Morariu said it was originally scheduled for March 29, 2010, but it may be rescheduled.

Council Member Price asked for clarification on when they will have a chance to comment on the advisability of Boards and Commissions.

Ms. Morariu said it was part of the Council Meeting Structure topic and recommended it be brought up as part of the Protocol and Review discussion.

Council Member Price said the discussion would be beneficial because many things are being done the way they always had been, which wasn't always the best way.

Ms. Morariu added that Early Packet Distribution was also a topic for Policy and Services.

Council Member Holman asked if there was a date for Policy and Services to discuss the protocols.

Ms. Morariu said that typically protocols go to Council first and then get referred back to Policy and Services. Staff would then determine how much work needed to be done and bring it back to Policy and Services. She suggested the Committee discuss whether or not two Policy and Services meetings a month were justified.

Chair Yeh said that one advantage of it going to full Council is the Committee could see where the consensus was making the Policy and Services conversations more efficient.

2. Presentation on City Sustainability Initiatives

Debra Van Duynhoven reviewed her presentation on Environmental Sustainability. She said Palo Alto has been a leader among cities in many areas with a model green building ordinance, an energy mix that was primarily hydro, and the Palo Alto Green Program with over 6,000 residents participating. The focus had been the Climate Protection Plan. The first goal of the plan was a 5% reduction of City operations; she said she would report the results to Council in April. The next goal was 5% City and Community emissions by December 2012. The final goal was 15% by 2020.

Chair Yeh asked what has changed.

Ms. Van Duynhoven said that some projects have been completed such as with Zero Waste, the poly bag ordinance and the polystyrene ordinance. She said there were others that were still active and will be continued as relevant projects.

Ms. Morariu said the Foothill Fire Management Plan update was completed. She said that mandated programs could be separated.

Ms. Van Duynhoven said that Community Water Savings might need to be described a bit differently and suggested 20% by 2020.

Chair Yeh asked for extra copies of the presentation.

Ms. Van Duynhoven said that she could give him a list of the priorities.

Council Member Shepherd said they were trying not to get duplication. She asked if they could assign the bicycle path updates over to sustainability in order to start shrinking the list.

Chair Yeh said the process was to consolidate as soon as possible. He said there was overlap between some of the environmental sustainability and the council priorities.

Council Member Shepherd asked about High Speed Rail.

Ms. Van said that sustainability creeps into all departments.

Council Member Price asked if the Climate Protection Plan was a freestanding document or part of the Comprehensive Plan. She also asked if the Comprehensive Plan had a segment that addressed sustainability.

Ms. Van said it was a freestanding document and the Comprehensive Plan will have in the next version

Council Member Shepherd asked if it would shift when the priorities change and how the programs were managed.

Ms. Morariu said each score card had individual managers. The City Managers office didn't manage each program, they coordinate sustainability. The feedback tabs go to the managers. She said they manage project activity and report to the HSRA

Council Member Shepherd asked why she would have looked under sustainability to get High Speed Rail.

Ms. Morariu said it might be linked to the High Speed Rail page.

Council Member Shepherd said the See It Site was easier to read than other things.

Ms. Morariu said that other agencies have linked their See It Sites back to applicable sites, but she wasn't sure if Palo Alto had.

CM Shepherd asked if bicycles stay with Land Use, would that shift from sustainability over to Land Use.

Ms. Morariu said it could go either way. Priorities are changing this year; we will look at whether the categories are ordered logically.

Council Member Holman said they hadn't wanted that as a separate topic because it was cross platform. She said if one place had to be chosen it should be Land Use and Transportation. The actions will happen there.

Council Member Shepherd said her thoughts were about shrinking that since it was already under Sustainability. She agreed it should be in the most logical place.

Chair Yeh added Economic Development to Environmental Sustainability. He said the cost savings on Environmental Sustainability needs to be clear to the customers. They must have an understanding of pay back periods, and rebates. It helps make a case about why this is a priority if we can tie those in. He asked where City businesses that fall under Environmental Activity will end up and how it fits into our long term vision of what kinds of business Palo Alto attracts.

Council Member Holman said there was mention about utility bills and tracking what their energy usage was.

Council Member Holman asked about the status of installing Smart Meters in Palo Alto.

Ms. Van said she wasn't sure, but would look into it.

Chair Yeh said the Utilities Advisory Commission was reviewing Smart Meters with Utilities Department. Under CPUC rules we are required to invest in Smart

Meters. There was study session last year that determined the City should not be a first user of these smart meters.

Council Member Holman said that restructuring of rates incentivizes people to use less. With landfills the more you put in the lower your contract was. Water and electricity were the same way.

Ms. Morariu said that it was a complex process, but they were looking at studies around restructuring but won't likely have recommendations until next fall.

Council Member Holman said improving information for and the description of our shuttle bus and it's routes would reduce green house gases. Rebates on the City website should be coordinated with the county and federal rebates. Implementing an impact fee for projects over x dollar size should be considered. Money can be put into a fund for appliance replacement. Updating appliances was a great way to reduce greenhouse gasses. She asked for a status on the manufacture take back program.

Ms. Van said she didn't have that information but would look into it.

Council Member Holman asked about construction and demolition. She wanted to know if there was current information about how much salvage and deconstruction are being promoted.

Ms. Van said it has improved and a report will be presented in April.

Council Member Shepherd said that there was some catching up with efficiently using the reductions the City had put into place. Many didn't know about Zero Waste. The City needed to keep communicating and forming pictures for reshaping lives. She asked if there was a cost basis analysis if we do nothing versus moving forward as some of these things are very expensive.

Ms. Van said Staff focused on things that don't take tons of money and on collaborating with non profits. A lot can be done with education. She said she had been analyzing certain programs; she has initiated conversations with Utilities.

Council Member Shepherd asked where externality costs were

Ms. Morariu said she would need an update.

Chair Yeh said the Utilities Advisory Commission was starting their process on rates across the enterprise funds. Externality was an easy concept to propose.

Council Member Shepherd asked how it stopped so it didn't have to be thrown away. However, making sure we don't get too far ahead of the community.

Council Member Holman said that in a perfect world everyone would buy everything refillable. One of the best ways we can accomplish that as Council is we can buy those kinds of things. One thing that the City should do more of was supporting local business by encouraging that kind of purchasing habits. Also it helps keep the transportation impact lower.

Chair Yeh said the Utilities Advisory Commission had looked at a draft version. He said the 25% by 2020 it's important to keep the clients flexibility. There is a provision that provides for the City to come up with the local equivalent. The process was still taking shape. He said that if the landscaping ordinance comes forward and there was an internal mechanism that triggered a limit but didn't affect the landscaping, that's the kind of policy that frustrates the customers. Where the City can provide maximum flexibility we should. He asked about anaerobic composting status.

Ms. Morariu said it was scheduled to come back in mid-March.

Chair Yeh spoke regarding last years Low Carbon Cities Initiative between China and US, with five cities in each country. He said they were moving forward on experimental programs. Council will have a chance to interact with the Chinese Consul General. The process can access how we track green house emissions. There was a limited time frame to participate.

Ms. Morariu said there was a study session on March 8, and April 5 will be for direction to Staff.

Ms. Van spoke regarding the Low Carbon City Initiative, she asked if it should be one of the actions

Chair Yeh said there were some folks at Beijing University that were managing it over that level, if it could be developed it would be a good place for it,

Council Member Price asked what the next steps were.

Ms. Morariu said that the next meeting was March 9. She was hoping to add the details spoken about tonight, and then identify those that were new and then discuss how to prioritize.

Chair Yeh asked if they should meet an extra time.

Chair Price suggested they discuss the issue on March 9. The City will always have more items than we have time to deal with them.

Council Member Holman asked if they had the quote out front

Ms. Morariu showed the Henry Clay quote on the screen (cut out of audio).

Council Member Holman suggested a mission statement for the priorities, such as civic engagement.

Council Member Price said "Government is a Trust Created for the Benefit of the People."

Council Member Shepherd suggested "Success is Simple, You do the Right Thing at the Right Time in the Right Way". She said the author was an American humorist. But she keeps getting down to how simple it can be.

4. Discussion for Future Meeting Schedules and Agendas
Tuesday, March 9, 7:00 pm

ADJOURNMENT: Meeting adjourned at 9:26 p.m.