



## **POLICY AND SERVICES COMMITTEE**

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Special Meeting  
October 18, 2011

### Roll Call

Chairperson Price called the meeting to order at 6:11 p.m. in the Council Conference Room, 250 Hamilton Avenue, Palo Alto, California.

Present: Burt, Klein, Holman, Price (Chair)

Absent:

### Oral Communications

None

### Agenda Items

1. Recommendation Regarding Structure of Quarterly City Council Priorities Report (Continued from September 13, 2011).

Assistant Director of Administrative Services, Rob Braulik stated that the Policy and Services Committee had requested Staff submit the matrix chart with the quarterly City Council Priorities Report. He asked if the matrix attached to the next update of the report when it goes to the full Council on November 7, 2011 would be sufficient. He explained the matrix listed all of the priorities in the quarterly report and where they fit in terms of the City finances and emergency preparedness.

Council member Burt thought the matrix was a well configured spread sheet that had the potential to be a template for other staff level decisions that were not major projects. He asked if there were plans to create a template for Staff to use in a more comprehensive manner.

Mr. Braulik noted Staff had been reviewing additional templates as suggested by

Council. The items being reviewed for alterations were the current CMR's by adding a Council Priority category with a brief narrative as to how the item before Council fit into the priority listing.

Council Member Burt mentioned the narrative, although a good consent would be after the fact. He was interested in a methodology for Staff to consider how or if the project was a priority in the early stages so it could guide the process.

Assistant City Manager, Pamela Antil suggested incorporating the Council Priority matrix into the budget process in terms of reviewing the projects in advance.

Council Member Burt recommended the Boards and Commission and other advisory groups be aware of the matrix so as they review their upcoming actions they were aware of the overall priorities listing.

Council Member Holman suggested for readability purposes; that the rows be expanded. She asked if the matrix could be organized by department recognizing there were some priorities that crossed over departments. She noted on 1A Staff listed the City finance goals where there were five elements listed, but on the second page where the items were summarized there were only four items and not in the same sequence as the previous page; she suggested consistency which would be easier to follow.

Mr. Braulik stated Staff could add a column to note what other departments were associated with that specific priority.

Council Member Holman recommended sorting the grid by department as shown in the Staff report as a way to see if one department was overloaded compared to others. She did not wish to create another document but altering the matrix grid to show all of the elements.

Council Member Klein asked whether Staff would be preparing the Council Priorities in the matrix grid or a Staff report by department for their own purposes.

Mr. Braulik clarified the departments were preparing their individual updates based on the narrative in the Staff Report provided to the Council.

Council Member Klein said if Staff did not feel they had Council direction to do the analysis by department they would just go by the boards.

Mr. Braulik clarified all of the completed work for the matrix was performed using

the provided Staff Report because all of the departments were aware which one was the lead on the project.

Council Member Klein was interested in not reinventing the information in the narrative each quarter, Council was aware of the history and what had happened to date. The narrative should be what had happened in the reporting quarter.

Mr. Braulik noted if there was a consensus to the quarterly report being only the current update with the previous reports attached, the report would be smaller and easier to follow.

Chair Price felt the matrix was helpful as a snapshot of where projects were in the process. It assisted in developing the structure for the work plans. She said maintaining the matrix in a priority sequence made it clear with a separate document listing projects by department.

Council Member Burt said it appeared to be fairly simple to fold the two separate views of priority and department into the matrix. He felt the primary department and the support or secondary department involved should be listed to maintain the information in the forefront. He asked if the goal for the year as stated in the Staff Report was to evaluate the Electric Vehicle (EV) plan. He noted the City was involved in a certain level of implementation through out the City.

Ms. Antil stated the language in the Staff report was adopted during the initial meeting. Staff could leave the language as it was or change it on the quarterly report.

Council Member Burt supported that the terminology reflect the growth and evolution of element. He asked in the case of the EV if there was an intention to complete the evaluation and adopt.

Ms. Antil clarified Staff would be discussing the program and its status later in the evening but she understood reflecting accurate data.

Mr. Braulik noted the goal with respect to the EV program was to have the evaluation completed in 2011 so the Council could determine their implementation process in 2012.

Council Member Burt recommended adding the specific detail of evaluation to be completed for Council decision by 2012.

Chair Price recommended making the initial statement more global about the

topic and add qualifiers after the statement as subtitles noting the status.

Council Member Burt did not see a conflict between his desired language and the recommendation from Chair Price and he felt it would be appropriate to break out the priority between the project and then the action. For example: under Sustainability the topic would be the Composting Digester or Alternatives and the action would be to Evaluate and the subject would be EV Charging Stations.

Council Member Holman asked for clarification on the use of the check marks on the matrix. She asked if there could be a way that would indicate completed on the matrix if the check mark did not indicate that. She did not feel it was necessary to change the language in mid October.

Mr. Braulik clarified the check mark system was used to identify when a project was crossed over other categories. For example: Economic Development crossed over Youth Well Being because part of Economic Development was to retain and expand businesses within the City and create opportunities for youth employment. As for the language change, Staff would take the consensus of the Policy & Services Committee since there were valid positives and negatives to changing it at this juncture.

Chair Price stated out of the four Committee Members three were requesting improved changes and one was not certain the matrix was necessary. She asked what Staff was planning on acting on.

Mr. Braulik stated if the consensus of the Committee overall was to continue with the matrix then Staff would incorporate the recommended changes and continue its use.

Ms. Antil stated Staff would be happy to continue to produce both documents with the matrix being incorporated into the narrative.

Council Member Klein noted it appeared the language change was easily solved by using the quarterly report to state in January of 2011 the goal was to evaluate "X", in the third quarter of the year Staff had moved past evaluation and Council chose "X, Y, or Z" to implement.

Chair Price said the changes being discussed suggested future Council Retreats should determine clear language and terminology for the matrix and quarterly priority reports.

## **NO ACTION TAKEN**

## 2. Economic Development Policy and Staff Action Plan

Economic Development Manager, Thomas Fehrenbach said Staff had reviewed the City's overall perspective on economic development. He clarified the goal was to focus on the role of the Economic Development Manager and the role of economic development in the City. Staff had put together a straightforward action plan based on the Economic Development Policy which they presented to the Policy & Services Committee for review and recommendation of approval to the full Council.

Council Member Klein addressed concerns with the dichotomy of the position of Economic Development Manager. While Palo Alto's brand was high tech innovation, it did not produce sufficient tax revenue to maintain a City. There needed to be time spent soliciting retail stores, hotels, and other revenue generators the City was dependant upon to function financially. He felt the language in the policy needed to be clearer with respect to the duality of the position. There was a bridge with the appropriate verbiage such as the innovative companies provide the base which attracts the hotels, shopping centers, and restaurants. The Staff Report had elements lacking from the background information as to what attracted businesses such as the fact that Palo Alto is a highly educated and diverse community adjacent to Stanford University. He stated the term leafy, when referring to the affluent areas, had become an insult. He requested the term be removed and replaced with another adjective before tree canopy. He did not understand the context of the language of the last paragraph on the first page of the draft Economic Development Policy where it read: The growing divide between economic growth, the City's tax base, and state and federal fiscal woes continues to hold down revenue to support the delivery of services and City infrastructure.

Mr. Fehrenbach explained the language was his effort at describing the dichotomy previously mentioned. He offered to revise the sentence to make a clearer statement.

Council Member Klein said the Guiding Principles on page 2, item number 1 limits the revenue to sales tax. He did not feel there should be a limit placed on the type of revenue generated. In item number 3 there was reference to Palo Alto's value proposition; he felt the phrase should be a part of the Guiding Principles. He mentioned there was no discussion of healthcare throughout the document; although, it was previously suggested by the Policy & Services Committee with the Stanford Hospital expansion there should be healthcare companies encouraged to come to Palo Alto.

Council Member Holman noted there was no mention of the weather within the draft Economic Development Policy. She felt there needed to be statistics mentioned in the document of the open space, parks, City population, number of trees, nationally registered districts, and the percentage of residents with graduate degrees. She stated the missing information identified what the community was and what made the community attractive to businesses. She appreciated the improvements made to the document since the previous draft; although she felt it was not complete. She felt an element lacking in the document was the reference to the people living and doing business in the City and the relationship to the services provided. She had concerns with some terms used in the document that were unfamiliar to her and possibly unfamiliar to the readers such as digital billboards, auto mall, and the SCIP program.

Council Member Burt asked what Staff meant by lot development and SCIP program on page 2 of the draft Economic Development Action Plan.

Mr. Fehrenbach explained lot development was taking City owned parking lots and exploring development options and the SCIP program was a financing mechanism for Impact Fees for developers where the City received a small amount of revenues through the brokering of the fees with no risk to the City; it was a State wide Community Infrastructure Program (SCIP).

Council Member Burt suggested adding verbiage to clarify both of those topics. Under Staff objectives there was a reference to new revenue streams including innovative uses for under-utilized City-owned property. He asked if the list of elements was intended to be on City-owned and non-City-owned property.

Mr. Fehrenbach confirmed that was correct. The Economic Development Manager could act in a role that would assist in finding sites to build on and progressing the development of new hotels.

Council Member Burt appreciated the description of hotels in the plural and he felt that should be reflected. There were underappreciated trends occurring in the community and as with many communities the hotel development was interrupted by the recession. Hotels had the highest land use revenue with extremely low peak hour trip generators.

Chair Price expressed appreciation for the detail involved in the document and how the suggested changes had been incorporated. Both the Staff action plan and Staff objectives were underlining projects the Staff wanted to undertake. She asked if Staff was suggesting a priority.

Mr. Fehrenbach stated no, he was not suggesting an order of importance. The items were in placed in order of highest revenue generating project.

Chair Price said from a reader's perspective it was difficult to determine which areas would receive a higher priority. She recommended placing them in an order to indicate priority. She noted it was not clear whether the reader or Council should assume as a result of the work in the economic development action plan there would be development of additional policies to implement the goals and objectives of the plan. Nor was it clear what products or outcomes would be produced in relation to the action plan. With respect to the draft economic development action plan on page 3 section F: Increase staff awareness of Council's strategic economic goals, she felt it should be to increase the community, Staff and Council awareness.

Council Member Klein said there needed to be a consistent vocabulary; a distinction between the small and large businesses and commercial businesses would be helpful. He suggested the following topics be removed from the list of Guiding Principles; number 6, number 7, and number 8. He recommended adding some form of night time entertainment for those guests staying in all of the hotels being developed.

Mr. Fehrenbach stated the Guiding Principles were intended to be the City's guiding principles, not just that of the Economic Development Manager.

Council Member Holman had a concern with some of the Guiding Principles as a list of Staff objectives because they were City driven policy and not Staff directives. She asked for clarification on the additional numbers in brackets at the end of the section descriptions.

Mr. Fehrenbach said the numbers were in correlation to main Guiding Principles of the City. He agreed to alter the numbering system so there was a clearer understanding of their purpose.

**MOTION:** Council Member Holman moved, seconded by Council Member Klein for the Policy and Services Committee to request that Staff incorporate comments from the Committee Members and return to Policy and Services Committee for further review of the Economic Development Plan.

Council Member Holman asked the expected timeframe for the item to return.

Assistant Director of Administrative Services, Rob Braulik said it could return for the November 8, 2011 meeting although currently the items agendized were 1)

the Magical Bridge update, 2) Human Habitation in Vehicles update, 3) Project Safety Net update, 4) Utilities Emerging Technology, and 5) Report from Staff on the Implementation and Timing of Changes from the Elimination of Staffing projected for that meeting. Based on the information there would be a suggestion for a second meeting during the month of November to bring back the Economic Development Plan.

Council Member Burt suggested not holding the meeting on November 8<sup>th</sup> because of the election.

Mr. Braulik proposed working with the City Clerk's office to select other dates for the regular and special meeting.

**MOTION PASSED 4-0.**

3. Recommendation regarding Electric Vehicle (EV) Infrastructure Policy.

Debra Van Duynhoven, Assistant to the City Manager for Sustainability, explained that the Electric Vehicle Infrastructure Policy was a multi-department effort between the Utilities Department, the Public Works Department, the Planning and Transportation Department, the Development Center, and the City Manager's Office. The intention of the Policy was to define a common goal and strategy for Staff and to provide a clear statement to the public of the City's support for an electric vehicle (EV) infrastructure. The key motivations behind the development of the Policy were: 1) Projected demand: Experts had anticipated there would be between 3,000 and 10,000 EVs in Palo Alto by 2020, 2) Climate Protection Plan: If projections were accurate, the City's commute emissions could be reduced by between 4 and 13 percent, and the community-wide overall emissions could be reduced by between 1.5 and 5 percent, 3) Industry advancements: A new generation of EVs and EV charging stations were emerging. By 2012 there would be approximately 20 different brands of EVs and plug-in hybrid EVs, 4) Public charging infrastructure, 5) Permits for EV charger installations: The City currently received approximately 20 permit applications per month, a number which increased on a monthly basis, 6) Impact on the City's electric distribution system: the Utilities Department had determined that the impact to the electrical distribution system would be minimal in the early years of implementation, 7) Government subsidies: The five most recently installed EV charger units had been funded through government subsidies from the Department of Energy and the Bay Area Air Quality Management District, and 8) Economic development. She presented a map of the five recently installed EV chargers, which had the capability to accept credit card payments. Current charging station locations within Palo Alto included Stanford Shopping Center,



the Palo Alto Unified School District Main Office, City Libraries, the Creekside Inn, the Westin, Hewlett Packard, Tesla, and Better Place. The proposal sought to enable EV charging infrastructure development by partnering with and/or leasing City-owned spaces to organizations and individuals to manage in accordance with the City's parking plans. Staff also proposed to cover the City's costs through user fees. The older EV charger systems did not have the capability to allow the City to charge user fees, while all new installations would be credit card compatible. The City was not currently collecting a fee for EV charging, but planned to in the future. Staff had issued a Request for Information (RFI) to gauge private sector interest in building EV charging stations and estimate the potential for revenue to be gained from such arrangements. There had also been some public interest in the installation of residential curbside EV chargers and Staff was working to develop a standard policy whereby a resident could install a charger for public use. In an attempt to maintain the integrity of the electric distribution system for all customers, Staff would encourage residents to inform the City upon purchase of an EV and would provide incentives for off-peak charging. EV charging incentives would require the development of time-of-use electric rates. She explained that Staff planned to pursue the development of a quick and efficient permitting process, to encourage developers to build charging station infrastructure, and to provide education and outreach regarding EVs.

Council Member Burt inquired as to the basis of the projection that there would be between 3,000 to 10,000 EVs in the City by 2020.

Ms. Van Duynhoven replied that the projection was based upon California Energy Commission estimates for the State of California.

Council Member Burt asked if Staff was aware of how many private and public charging stations there were in the City.

Ms. Van Duynhoven stated that until a few months ago the City had not been collecting that information.

Council Member Burt asked whether a permit was previously required for installation of an EV charging station.

Ms. Van Duynhoven replied that no permit was required if the installation of the charging station was done as a part of a building project. Staff was now keeping track of all EV charging station installations.

Pamela Antil, Assistant City Manager, asked if Mrs. Van Duynhoven could provide an estimate of installations over the previous several months.

Ms. Van Duynhoven estimated that there were approximately 100 stations.

Council Member Burt asked whether the problem was that developers had previously taken out simple electrical permits for charging station installations, making it impossible to track.

Ms. Van Duynhoven stated that was correct.

Council Member Burt asked how many different charging types were needed to serve the new EV cars.

Ms. Van Duynhoven stated that the J1772 was the standard for EV electrical connectors and was the type of charger that had been installed in the City Hall parking garage. Tesla was an outlier, and did not use the J1772. However, Tesla vehicles had the ability to plug into a regular electric outlet.

Council Member Burt inquired as to the installation cost per EV charging station unit.

Ms. Van Duynhoven replied that the cost varied greatly depending on the infrastructural requirements of the electrical outlets. The five most recently installed stations had cost approximately \$22,000 to install. The station units had cost \$5,000 each. All together, each station had cost approximately \$10,000.

Council Member Burt asked whether Staff anticipated any negative unforeseen consequences of the proposed policy.

Ms. Van Duynhoven explained that they had explored ways in which Staff could avoid overburdening of the electric distribution system. The City had been working with a start-up business from Stanford University called AutoGrid. AutoGrid developed a web-based demand response system that would allow Staff to test the electricity usage messaging so that EV owners could avoid charging their vehicles during peak hours. The system would be tested on the five new chargers.

Council Member Burt asked how the EV stations would impact parking for those without EV cars. He noted that those without EV cars would be frustrated to see empty spots designated for EVs when they were unable to find a parking spot.

Ms. Van Duynhoven stated that the charging stations installed so far had been

frequently utilized.

Ms. Antil stated that Staff had also been working to find a solution to the problem of EVs remaining parked in charging station spots after they were through charging.

Council Member Burt acknowledged that the program was still in its infancy and discussed issues that Denmark had encountered after the implementation of their EV program. He asked how long it took to charge an EV.

Ms. Van Duynhoven replied that it would take anywhere from a half an hour to eight hours to charge an EV. The AutoGrid system helped the City to track that information.

Council Member Burt asked whether EV owners were expected to leave EV charging station spots after the charge was complete.

Ms. Van Duynhoven explained that EV owners could receive updates directly to their cellular phones when their vehicles had received full charge. She felt that most EV owners would move their vehicles at that time to make the space available for others. There were also cellular phone applications that would allow EV owners to see when a charging station was available in their area.

Council Member Burt stated that initially EV owners might be disproportionately socially responsible, but that once there was between 3,000 and 10,000 EV owners in the City the likelihood that owners would move their cars would greatly decrease.

Ms. Van Duynhoven replied that Staff had not yet fully explored enforcement of EV parking regulations or violation penalties.

Council Member Burt asked whether it was Staff's intention to develop a list of potential issues that would require future resolution.

Ms. Van Duynhoven explained that Staff had identified several unresolved issues related to EVs, including signage, assessment of fleet options, and parking time limits and related fines.

Council Member Burt asked whether Staff had developed a list of those items.

Ms. Van Duynhoven stated they had.

Council Member Burt commented that other organizations who had implemented an EV program had likely encountered the same issues. He suggested Staff review the strategies of those who had already successfully implemented programs. He asked whether the Bay Area Climate Collaborative (BACC) had any implementation ideas that could benefit the City.

Ms. Van Duynhoven stated that while they had instituted an EV program, the BACC took a more regional approach than the City would. She added that the City's Parking Plan would address many of the anticipated EV parking issues.

Council Member Burt recommended the development of a master list of concerns or potential issues that could be used by many cities to prevent redundant work. The City should not expend its resources defining problems and inventing solutions when the work had likely already been done. If the work had not been done elsewhere, and the City was instead on the cutting edge of that technology, then they should be identified as such. He observed that the City had no way of knowing how many EVs were owned within the City or how many were owned by those who worked in the City, but did not reside there.

Ms. Van Duynhoven replied that the majority of EV charging was expected to occur at home. She felt that the City should focus on infrastructure for home charging. The City was a leader in EV charging infrastructure, as many other municipalities had not yet installed EV charging units.

Council Member Burt inquired as to whether the City should urge local legislators to sponsor legislation to create an EV registry that could assist in keeping track of the number of EV owners within municipal boundaries. He stated that it would be difficult for municipalities to implement EV plans without a clear understanding of how many EVs there were and where they were located.

Ms. Van Duynhoven replied that the Department of Motor Vehicles (DMV) was currently the only organization with that information. The DMV has stated that the information was private, but several regional organizations were still working to obtain the data.

Council Member Burt commented that a legislative initiative could be more effective than asking the DMV for the information. It might be easier to obtain the information from the DMV by zip code rather than by owner name and location.

Council Member Klein agreed that if the DMV was not willing to cooperate, than the City should request the introduction of new legislation. He emphasized that

the City had no use for personal information and only needed to know the number of EVs within City limits.

Ms. Van Duynhoven stated that she had not personally requested the information, and suggested that she investigate the issue further.

Council Member Klein agreed. He noted that the on page three of the Staff Report "101 Alma Street" should read "101 Lytton Avenue."

Ms. Van Duynhoven agreed with the correction.

Council Member Klein observed that "proposed policy 1" on page five of the Staff Report referred to enabling charging infrastructure "in the City and the region." He asked why the word region had been used.

Ms. Van Duynhoven replied that it was best to take a regional approach to EV charging infrastructure because many of those using the charging stations were from outside the City. The newly installed charging units had a regional infrastructure, allowing users to view all available stations within the region.

Council Member Klein expressed concern regarding the proposal to allow residents to install curbside charging stations. He felt that the proposal would have unforeseen planning implications and would violate the City's practice of prohibiting commercial enterprises in residential neighborhoods.

Ms. Van Duynhoven stated there had been a great deal of discussion regarding those issues. A trial test had been conducted by one local resident, who had installed a charging station in front of his house at no cost to the City.

Council Member Klein commented that if the electricity was provided free of charge to users, people would migrate from all over to use the charging station. He added that neighbors would likely take issue with the influx of new traffic into the neighborhood.

Ms. Antil stated that while the trial was interesting, it was not designed in such a way as to be applicable to future City sanctioned installations. The trial was an example of Palo Alto's creativity and interest in EVs. The charging unit had been removed at the request of the City, but the resident was hopeful that Staff would return with an alternative for residential EV charging. There also seemed to be a number of residents that had an interest in EVs, but were not willing to subsidize an EV charging program. As Palo Alto was at the forefront of EV infrastructure efforts, Staff had not been able to find established standards for how to handle

those issues.

Council Member Klein expressed a desire to maintain the sanctity of the City's neighborhoods and to avoid problems arising from exceptions to established policies. He was surprised that the City of Los Altos Hills charged \$5 per hour for EV charging, as that would make it more expensive to charge an EV than to fill up a regular vehicle with a tank of gas.

Ms. Van Duynhoven stated that she did not know how they had determined their fee schedule.

Council Member Klein asked whether Staff had any indication of what the City would charge.

Ms. Van Duynhoven replied that they did not. She hoped that fee setting could be a regional discussion, whereby local municipalities could agree on a fee schedule.

Council Member Klein felt the fee should be set at considerably less than \$5 per hour. He asked when Staff planned to begin collecting a fee for the charging stations that had already been installed.

Ms. Van Duynhoven replied that a date had not been set. The City of San Francisco, who had installed 80 charging stations, recently announced that they would begin collecting fees in January 2013.

Council Member Klein clarified that Staff intended to take a regional approach to developing the fee structure.

Ms. Van Duynhoven stated that was correct. She maintained that it would be best if the City's fees corresponded to those in neighboring municipalities.

Council Member Klein asked whether it would be a Pacific Gas and Electric charge or a City of San Francisco charge.

Ms. Van Duynhoven responded that she did not have that information, but assured the Committee that Staff planned to collect a fee for EV charging.

Council Member Klein asked whether Staff had coordinated their efforts with local automobile dealers.

Ms. Van Duynhoven replied that Staff was sharing information with them.

Council Member Klein felt the automobile dealers could offer some rough data regarding the percentage of their customers that lived in Palo Alto and their percentage of EV sales. He indicated he was very encouraged by Staff's progress.

Arthur Keller stated he was not speaking in any official capacity and thanked Staff for their work on the issue. He discussed the different levels of EV charging and suggested that the City install a level three charging unit downtown. He felt that it was wise to coordinate with local developers because it was much cheaper to install EV cables during the building process than after the project was complete. The most serious policy question regarding residential curbside EV charging stations was whether the parking spots in front of the stations would be dedicated for EV vehicles or open to all vehicles.

Council Member Holman stated the City had no good way to regulate when people charged their EVs. She asked how the City could motivate EV owner to charge at night.

Ms. Van Duynhoven explained other utilities had incentivized night charging through their rate structures.

Shiva Swaminathan, Utilities Senior Resource Planner, explained the City would charge lower electric rates at night for those charging EVs.

Council Member Holman asked whether the fee reduction would be significant enough to motivate users to change their behaviors.

Mr. Swaminathan explained that EVs could be programmed to begin charging at a specific time. For instance, an owner could set their EV to begin charging at 10:00 p.m. if that was when the reduced rate went into effect.

Council Member Holman expressed concern regarding the aesthetics of residential curbside charging stations, stating they could potentially change the character of a neighborhood. She wished to avoid an outcome similar to that of the City's backflow devices, which were both very visible and aesthetically displeasing. She asked what the curbside charging stations would look like.

Ms. Van Duynhoven explained that the visual impacts of the residential EV curbside charging stations had been discussed at length, but that nothing had been decided.

Council Member Holman clarified that she was concerned about the aesthetics of all EV charging stations, both residential and commercial.

Ms. Van Duynhoven replied that Staff had not yet developed any aesthetic standards, but that they pursue that course of action upon direction of the Committee.

Council Member Holman felt that the City should develop a policy outlining which EV charging models were visually acceptable and which were not. She wanted to avoid an unfavorable reaction from the public resulting from the City's lack of consideration of the visual impacts of the project.

Ms. Van Duynhoven agreed and stated that as Staff moved forward with the development of EV charging infrastructure standards they would ensure that any visual impacts were properly addressed.

Chair Price inquired as to the future impacts to the City's electric distribution system.

Mr. Swaminathan replied that the City had sufficient feeder capacity to support commercial EV chargers. The City also had sufficient feeder capacity to support residential EV chargers, but the Utilities Department foresaw some issues with the transformers in residential neighborhoods. Each transformer, located atop electrical poles, serviced approximately five to ten homes. While charging, an EV represented the electrical capacity equivalent of one home. If there were clusters of EVs in a neighborhood that received electricity from one transformer, then the transformer would need to be upgraded. That was one reason why it was so important for the City to know the location of all EVs.

Chair Price inquired as to the possibility of future state or federal funding opportunities for the project.

Ms. Van Duynhoven stated that she had reason to believe that there would be additional future grant funding opportunities.

Chair Price inquired as to the cost of an EV.

Ms. Van Duynhoven explained she thought the cost of an EV ranged from approximately \$40,000 to \$200,000.

Mr. Keller commented that a Nissan Leaf started at approximately \$35,000. Owners of EVs were eligible for federal incentives in the amount of \$7,500 and



state incentives in the amount of \$2,500. Therefore, the net price of the Nissan Leaf was \$22,000 to \$25,000.

Chair Price stated that she would like Staff to be a little more reticent in identifying potential projects within the Electric Vehicle Infrastructure Policy. She inquired as to whether any of the statewide city planning organizations, such as the League of California Cities, had compiled information regarding EV infrastructure development. She asked whether the City planned to issue a RFI.

Ms. Van Duynhoven confirmed that the City had issued an RFI to EV charging station manufacturers in order to assist Staff in developing EV charging infrastructure. They still had approximately \$25,000 in subsidies to devote to EV infrastructure, and had issued the RFI in order to determine the best EV charging model for the City and to identify potential private partnerships.

Chair Price indicated she was interested in efforts to determine best practices with regards to EV infrastructure development. She asked whether Stanford Hospital had included EV charging stations in their plans for expansion.

Mr. Keller did not know whether EV charging stations had been included in the expansion plans, but noted that there were already stations in at least one of the parking structures at the Hospital. He added that Stanford charged \$3.00 per hour for EV charging, which included the price of parking.

Chair Price felt that the project was extremely ambitious and noted that the impact on Staff was not yet clear. She asked when they would have details regarding the Staff time and costs associated with the projects identified thus far.

Ms. Van Duynhoven stated Staff was currently working on each of the projects identified in the EV Infrastructure Policy. They would require some additional time if the direction from the Committee was to fully detail each of the projects prior to Council presentation. She emphasized that the EV Infrastructure Policy was only a draft and that it was still a work in progress.

Chair Price asked whether Staff had ordered the projects according to priority.

Ms. Van Duynhoven replied they had not.

**MOTION:** Council Member Klein moved, seconded by Council Member Price, that the Policy and Services Committee recommends the City Council adopt the Electric Vehicle Infrastructure as recommended by Staff.

Council Member Klein stated he would like to see EV infrastructure develop quickly and he was pleased Palo Alto could be a leader in the field. He explained that unforeseeable issues would always accompany new technology, but that he was encouraged by Staff's enthusiasm for the project.

Chair Price stated EVs were an important area of research and that the City needed to move forward, while recognizing that additional refinement would be necessary.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER:** delete "Project #2: Develop a standard and process by which a resident could install an EV charging unit for public use in their neighborhood" on page five or eight in the EV Infrastructure Plan or direct Staff to develop a more critical criteria.

**AMENDMENT:** Council Member Holman moved, seconded by Council Member Burt, to direct Staff to address aesthetic issues as part of the program's development.

Council Member Holman felt that it was a good program and wanted to avoid public opposition based on aesthetics.

Council Member Burt noted the Amendment asked Staff to address the aesthetic issues, but it did not stipulate the degree to which that would happen, nor did it prescribe an outcome.

Council Member Holman agreed.

Council Member Burt suggested that Staff organize a contest to design aesthetically pleasing EV charging stations. He stated he would be very interested in what creative minds could come up with and explained the contest would not need to include strict geographical borders. He indicated that the contest could provide an opportunity to turn the stations into aesthetic attributes.

Council Member Holman felt the City had missed a similar opportunity when the green utility boxes were installed in City parking strips.

Council Member Klein felt that the design of aesthetically pleasing devices was not an appropriate role for the City. He felt that the development of EV infrastructure would move very quickly in the region and did not want to see the

City's progress delayed because of aesthetic concerns. He noted that it was in the best interests of the EV manufacturers to design aesthetically pleasing units, and that government was not historically very good at identifying the best design.

Council Member Holman stated the City did not need to come up with the ultimate design, but that they only had to develop a good and creative design. Palo Alto was a very progressive community, and they now had an opportunity to demonstrate that.

Council Member Burt felt that the design of EV charging stations represented an opportunity for the City and that enhanced aesthetics could help promote the installation of charging stations rather than deter it.

Chair Price expressed support for the amendment and agreed with Council Member Burt that the design of charging stations represented an opportunity. She believed the City could do a good job of improving charging station aesthetics and did not agree that it would necessarily cause a delay in implementation.

**AMENDMENT PASSED:** 3-1, Klein no

Council Member Burt stated the work plan needed to be prioritized because everything could not be accomplished at the same. He asked how information on EV charging locations would be provided to the public.

Ms. Van Duynhoven explained that the locations and availability of the first five EV charging stations could be accessed by the public through a smart phone application and that the information would be available on the City's website. She added that most EV owners were aware of the smart phone application.

Council Member Burt asked whether it took eight hours to charge an EV with the J1772 connection.

Mr. Keller replied that the Nissan Leaf's level-two charger was only 20 amps, which was the reason it took so long to charge. There were multiple charging networks available to provide EV owners information regarding the location and availability of EV charging stations.

Council Member Burt inquired further into EV charging times.

Mr. Keller stated they often took seven to eight hours to charge when fully depleted.

Council Member Burt asserted that the project was potentially transformative, but that the City needed to take a smart approach. He urged Staff to complete a comprehensive and uncompromising review of the potential negative consequences of the project so that any issues could be anticipated and dealt with appropriately. He looked forward to receiving project updates.

**MOTION PASSED 4-0**

Chair Price asked whether the Members of the Committee would like to see the Item presented to Council as part of the Consent Calendar portion of the Agenda.

Council Member Klein stated that he would.

Chair Price directed Staff to place the Item on the Consent Calendar.

ADJOURNMENT: Meeting adjourned at 9:00 p.m.