

**SCHOOL/CITY LIAISON COMMITTEE  
PALO ALTO UNIFIED SCHOOL DISTRICT  
CITY OF PALO ALTO**

**DATE: December 14, 2017**

**MINUTES FOR MEETING OF December 14, 2017**

Opening

The School/City Committee held a special meeting in the District Conference Room A at 25 Churchill Ave, Palo Alto. The meeting was called to order at 8:04 a.m.

\* All handouts can be viewed in the Business Services Office 25 Churchill Ave.

**Palo Alto Unified School District Representatives:**

Melissa Baten Caswell, Board Member, Committee Chair  
Ken Dauber, Board Member  
Cathy Mak, Chief Business Officer

**City of Palo Alto Representatives:**

Liz Kniss, Council Member  
Eric Filseth, Council Member  
Rob de Geus, Community Services Director

Oral Communications

No requests were made to address the Committee.

Approval of Minutes –  
November 16, 2017

MOTION: The November 16, 2017, meeting minutes were approved.

Council Members Update  
on Recent High Speed Rail  
City Council Discussions

Filseth reported Caltrain is increasing the frequency of trains up and down the corridor so during peak traffic hours there will be more traffic east and west across the train corridor and Alma Street. Measure A passed but it is probably not enough. One of the components of Measure A is grade separation across the California corridor. There are four crossings and the question is how to implement grade crossings. It is a major public works project. The City has been looking at this for a number of years with studies on different options. The main branches are to do a conventional overpass/underpass class of crossing at some or all of the intersections. There is a possibility for a trench or tunnel but it is much more expensive. The City has a Rail Committee and a variety of technical consultants looking at all options; there is no decision on this and they are looking at all ramifications. The intent is to narrow down a set of options over the next couple of months. If they do conventional overpass/underpass grade separation such as Embarcadero Road or Oregon Expressway, most of those will require some taking of land. A trench or tunnel will not require taking of land.

The majority of the east west traffic interruption to Alma Street is actually on the southernmost crossings of Charleston Road and Meadow Drive. There has been much less attention to the Churchill Avenue and Palo Alto Highway crossings. There has been some discussion about closing the Churchill Avenue crossing and there has been a lot of discussion about closing the Charleston Road crossing.

Caswell asked who is on the Rail Committee. Filseth said the City Council Member Tom Dubois, Mayor Greg Scharff, City Council Member Adrian Fine, and himself. De Geus added there is also a Technical Rail Committee being formed next year and a representative for PAUSD will be on this committee. Mak added she met with the City's Chief Transportation Official Josh Mello and they will assign someone from PAUSD to the Technical Rail Committee.

Caswell asked if the Technical Rail Committee will discuss how to do this once the decision is made or will they discuss what choices are made. De Geus said they will discuss the smaller set of options the Rail Outreach Committee has already narrowed down. Caswell mentioned to Interim

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Superintendent Karen Hendricks it would be a good idea to have someone touch base with the Rail Outreach Committee, not only on a transportation level, but on a strategic level as well.

Kniss asked Keene when the first discussion on this took place. Keene said the first discussion was back in 2008-09, maybe even earlier.

Caswell mentioned she was approached by a very upset community member that had seen a proposal that would take part of the Palo Alto High School fields. Dauber asked what could be the most adverse impact to Palo Alto High School. Kniss said taking part of Palo Alto High School's playing field. If they were to do something to Churchill, it is pretty dramatic for both sides of the street. This sounds alarming but it is still very early in the process. Dauber added that he only asks to assess the level of involvement the District should have. Kniss said they should be very involved if there is the potential of a school being affected.

Keene added they are very early in the process. They have not identified the alternatives, yet alone the preferred alternatives. That will take the 2018 year to move through that process. There have not been any conceptual designs presented. The schedule is probably somewhere between January and June to start moving towards specifically identifying the alternatives. They will certainly make sure the District is involved and participating in these discussions.

### Review of Recent City Council/PAUSD Board Meetings

City Update: Kniss reported they will probably have an anti-idling ordinance that will come to Council and in particular, it will be around schools. This will have an educational component to it but it will still have an ordinance. You will not be able to idle more than three minutes. It will be based loosely on the Minneapolis plan. They will do this as a pilot and reach out to the District to let them know when it is being done. Caswell added there would probably be some young people very interested in anything sustainable that cleans the air. Kniss said it will probably come up January or February.

Keene reported the City's sustainability plan is predicated on a significant leap in electric vehicles in the next decade. They have the highest ratio per capita ownership of electric vehicles in California. They have changed their ordinance for residential new construction to be wired at least so it is an easy conversion for a charger. They would like 90% electric vehicles by 2030 in Palo Alto.

De Geus added Council approved the sustainability action plan that was approved by Council, and this last Monday, they approved a three-year implementation plan.

De Geus mentioned they are working with Gunn High School's BEAM program on the anti-idling effort and they will work with students to help the City implement and track it.

Filseth reported they are working on Stanford GUP letter. They would like more clarification on transportation and planned housing. He added they received a grant for the north Ventura area so that work will start soon. De Gues said there will be a stakeholder committee with respects to that plan.

District Update: Caswell reported they will have a survey going out for the Superintendent search. They will send it to neighborhood associations, post it on Nextdoor, and hardcopies will also go out.

Dauber reported their big discussion at the last meeting was budget issues. Caswell added they are using from their reserves to balance their budget.

Caswell reported they are at the end of their current bond measure and they will go out for another bond to complete projects. Kniss asked might it happen next year. Dauber said it will be a topic of discussion in spring at the Board level but November 2018 is not off the table. The Board has not had that discussion yet. Keene mentioned this would be a good thing to make sure they are talking about and coordinating so there are no surprises. Caswell said yes, there are the two topics this Committee needs to continue discussing next year, one being the District bond measure and the rail crossings.

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### Discussion and Update on City and PAUSD Property Tax

Property tax update: The City's Manager of Treasury, Debt, and Investment Tarun Narayan presented with the following slides:

- Presentation Overview
- Property Tax Categories
- City's Property Tax vs. AV Growth % (Includes IAH, Portola Valley, Stanford University)
- County Information Timing
- City Forecast Timeline for FY 2019
- City's Forecast Methodology/Tools (CAGR-compound annual growth rate)
- City of Palo Alto Property Tax Actuals and Forecast (Trend)

Caswell asked if the District receives the County's monthly property transfer report. Narayan said the City can share this report with the District. Caswell stated it would be helpful.

Mak mentioned the County has improved in getting the information out on a monthly basis but because the process is not complete until early July and there are a lot of adjustments in June so the District cannot rely on the County's preliminary numbers received in July since the final numbers come in August.

Caswell clarified that the numbers they looked at for November/December 2009, would go down from the prior month. She recalls a lot of property owners at that time had their property reassessed. She only points it out because there might be false sense that the numbers always go up. Narayan said property tax tends to be impacted about one year after a sale recession occurs. There was a lot of Prop 8 adjustments in order to forestall the amount of appeals the County would get. Keene said he recalls in 2010-11, they did not have any absolute yield drop from year to year from their collections in property tax. Narayan said yes, their assessed value flattened out. Commercial sales can take a couple of years for appeals so they can have a little dip which they saw in 2010-11 but the assessed valuation held steady.

The District's Chief Business Officer Cathy Mak presented on property tax revenue with the following slides:

- 2017-18 Revenue Sources
- The Good and the Bad of Property Tax Revenue
- Change in Property Tax Revenue Amount and Percentage
- Projection Strategy
- Breakdown of 1% Tax
- Property Tax Current Year 2017-18
- Property Tax Growth
- Economic Outlook

Caswell mentioned revenue funded districts give all their property tax funds to the State and then the State allocates the funds back to the school districts based on the number of students. About 100 districts in the State are community funded districts, they keep the property tax funds they have and they are not tied into the number of students. This is a very important point because if enrollment goes up, they will need to stretch the same dollars to the number of students. Obviously, if enrollment goes down, it benefits them. It makes it hard to predict because they do not show any students coming in.

### City Year in Review

De Geus reported the City approved their comprehensive plan, the housing and land use element, they are working on a housing work plan in the new year, their sustainability plan passed this year, and they hired a new Police Chief Bob Johnson; he starts in January 2018.

### Future Meetings and Agendas

The next meeting is scheduled for Thursday, February 15, 2018.

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Adjournment

The meeting was adjourned at 9:26 a.m.