



# FINANCE COMMITTEE SUMMARY MINUTES

Special Meeting  
May 3, 2022

The Finance Committee of the City of Palo Alto met on this date in virtual teleconference at 5:32 P.M.

Present: DuBois (Chair), Filseth, Kou

Absent:

## Oral Communications

None

## Agenda Items

1. Adoption of a Resolution Amending Utility Rate Schedule D-1 (Storm and Surface Water Drainage) Reflecting a 4.2 Percent Consumer Price Index Rate Increase to \$15.98 Per Month Per Equivalent Residential Unit for Fiscal Year 2023

Public Comment: Rebecca Eisenberg

Kiely Nose, Assistant City Manager

Karin North, Assistant Director of Public Works

Tom DuBois

Lydia Kou

Eric Filseth

**MOTION:** Chair DuBois moved, seconded by Vice Mayor Kou to recommend the City Council adopt a resolution amending:

- a. Utility Rate Schedule D-1 (Storm and Surface Water Drainage) to implement a 4.2 percent rate increase consistent with the applicable Consumer Price Index, increasing the monthly charge per Equivalent Residential Unit (ERU) by \$0.64, from \$15.34 to \$15.98 for Fiscal Year 2023

# SUMMARY MINUTES

## **MOTION PASSED:** 3-0

2. Recommend City Council Approve the Supplement to the Development Impact Fee Justification Study; Approval of Adjustments to Park, Community Center, and Library Development Impact Fees and the Park Dedication Fee, and Direct Staff to Implement the Fee Updates with the Fiscal Year 2023 Budget

Public Comment: Rebecca Eisenberg

Kiely Nose, Assistant City Manager

Sarah Duffy, Senior Management Analyst

Davis Taussig, Consultant

Tom DuBois

Lydia Kou

Eric Filseth

Jonathan Lait, Director of Planning

Molly Stump, City Attorney

Kyle Martinez, Consultant

Tim Shimizu, Assistant City Attorney

**MOTION:** Chair DuBois moved, seconded by Council Member X to recommend the City Council:

1. Approve the following recommendations from the Supplement to Park, Library, and Community Center Development Impact Fee Justification Study:
  - a. Differentiate the commercial/industrial fee structure into five separate categories: hotel, retail, office, industrial and commercial.
  - b. Maintain the office density calculation of 200 square ft. per employee.
  - c. Update the fee study every 4-6 years, in compliance with new state law requirements in Assembly Bill 602.

# SUMMARY MINUTES

**MOTION PASSED:** 3-0

**MOTION:** Council Member Filseth moved, seconded by Chair DuBois to recommend the City Council:

1. Apply the following land valuations for use in calculating the Park Development Impact Fees
  - a. Increase the land valuation to \$17.6 million/acre based on the average of the last 5 years of underutilized Palo Alto properties sales data.
2. Direct staff to conduct an economic feasibility study on the new nexus study and park dedication in lieu fee.

**MOTION PASSED:** 3-0

**MOTION:** Chair DuBois moved, seconded by Vice Mayor Kou to recommend the City Council:

1. To convert residential fees to reflect a per-square-foot amount, rather than a single amount per dwelling regardless of size.

**MOTION PASSED:** 3-0

Future Meetings and Agendas

Kiely Nose

Adjournment: The meeting was adjourned at 7:45 P.M.