RECOMMENDATION
Staff recommends that Council approve the procedures and methodology for the outreach and solicitation and collection of funds for the Palo Alto shuttle program as outlined in this report, as required under Section 2.28.250 of the Palo Alto Municipal Code.

BACKGROUND
In June 2004, the City Council adopted the Operating Budget for FY 2004/05. The Department of Planning and Community Environment budget included an increase of $25,000 in expenditures to cover the anticipated rise in contract expense for the Palo Alto shuttle program service operator. At the same time, staff committed to seeking contributions from the public to offset this added expense and therefore a line item of $25,000 in new shuttle donation revenues was included in the adopted budget. Staff planned to develop and implement a shuttle donation campaign targeted at the users and beneficiaries of the shuttle services.

DISCUSSION
Section 2.28.250 of the Palo Alto Municipal Code sets forth the procedures for the solicitation and collection of money made in the name of the City (see Attachment A). The procedures include 5 requirements, follows:

a) The purpose for which money is to be solicited or collected shall be referred to the city council.
b) Obtain approval of the city council to enter into such activities on behalf of entities of the city government.
c) Obtain approval of the city council on the manner and technique by which the money is to be solicited and or collected.
d) Establish with the city council prior to the time of solicitation and/or collection the conditions under which the money is to be given to the city of Palo Alto.
e) Report to the city council the total amount of money collected and such costs as were incident to the solicitation and collection of said money within thirty days after collection.

By virtue of the adoption of the 2004/05 operating budget, staff believes Council has approved these first two requirements for this solicitation. Staff is recommending that the Council approve of the following procedures to comply with items c and d with regard to “the manner and technique by which the money is to be solicited and or collected” and “the conditions under which the money is to be given to the City of Palo Alto.”

1. Staff is developing a brochure that describes the shuttle services and includes a donation form. The brochure will be included on each shuttle bus. The brochures will be available at City facilities, wherever the shuttle schedules are displayed (including City Hall, the libraries and community centers).

2. Staff will work with the administrators and PTA representatives of the PAUSD middle and high schools served by the shuttle to promote the shuttle donation campaign and to make the information available to parents whose students are served by the shuttle. The focus of the outreach will be on the benefits the school community derives from the convenience of the shuttle for students and parents alike and fewer vehicle trips created around the school campuses.

3. Staff will distribute letters and brochures to businesses served by the shuttle routes in the Downtown, Midtown, Charleston Center and Embarcadero/Baylands, Avenidas, senior housing facilities and the Chamber of Commerce encouraging community support for the program.

4. Staff will use Frank’s memo, shuttle website and other city publications to promote the shuttle donation campaign.

A special account has been established to receive shuttle program donations which will enable staff to track donations to the program. The fund will allow the contributions to carry over from year to year. Staff will provide information to the City Council at the end of the fiscal year on the amount collected through the donation campaign.

RESOURCE IMPACT
The shuttle program funding was increased from $349,200 in FY 2003/04 to $374,200 to cover the anticipated 5% increase in the shuttle operator’s rates, which change every October. The contributions to the shuttle donation campaign will offset some or all of the $25,000 increase in the General Fund support to the program.

POLICY IMPLICATIONS
This request is consistent with City policy.
ATTACHMENTS
Attachment A: Palo Alto Municipal Code Section 2.28.250: Money collected in name of the city.

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