TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER DEPARTMENT: POLICE

DATE: APRIL 19, 2004 CMR:224:04

SUBJECT: UPDATE ON POLICE BUILDING CAPITAL PROJECT

This is an informational report and no Council action is required at this time.

BACKGROUND

Staff has been working on a public safety building project since 1996. The original feasibility studies examined a number of viable sites throughout the city, but the Council directed staff to focus on building gout at the current site, given the prohibitive cost of acquiring land for a new site. On July 15, 2002, staff provided the City Council (CMR:314:02) with an analysis of four preliminary options for a public safety building at the current Police Department site. Staff weighed the advantages and disadvantages, including the estimated ongoing operational and construction costs for each option, and selected an option based upon programmatic considerations, costs, sustainability factor flexibility, and operational efficiencies. This option would entail the demolition of the existing structure, the expansion of the first floor and mezzanine levels and the addition of a second floor. The estimated cost at that time ranged from $38 to $45 million. Council approved a Capital Improvement Program project to complete the schematic design phase of the project in order to determine a definitive level of funding required for the project.

When staff met with Ross/Drulis/Cusenberry Architects (RDC) in the fall of 2002 to begin schematic design phase, it was becoming apparent that the City would be entering into the third year of an economic downturn. The City’s Long Range Financial Plan (LRFP) projected a General Fund structural imbalance for the near term. The State of California was experiencing a weakness in revenues and was threatening to take local tax dollars. Palo Alto voters had just turned down a General Obligation bond proposal for the libraries. Other competing interests included a school parcel tax, improving Mitchell Park and Children’s Libraries in the absence of bond monies, and the aggressive replacement of the City’s aging infrastructure. For these reasons, staff decided to halt progress on the project until the City’s financial condition improved or new funding sources were identified.
Due to recently identified potential funding options, staff has resumed with the schematic phase of the project. Staff is planning to hold a study session with the Architectural Review Board, and provide information to the Planning and Transportation Commission and Council for review within the next six months. This report provides as a status report on the project.

**DISCUSSION**

**Community Support**

Staff has been working with two community members who are actively pursuing the creation of a Palo Alto Police Foundation. This Foundation is being established to support the Police Department’s critical needs that are beyond the abilities of local, state, or federal funding. Once established, the first priority of the Foundation would be to substantially fund a “First Response Mobile Command Center,” which could cost as much as $600,000. This vehicle would be deployed in situations such as a fire, earthquake, or other incidents such as a SWAT call-out or terrorist attack. The Foundation’s second priority would be to assist in a marketing campaign to build community support for a new police building and to launch a major funding campaign that would result in the Foundation’s ability to significantly help subsidize the construction of the building. The formalization of the Foundation is anticipated to be completed this summer.

Mayor Beecham and Councilmember Cordell have expressed interest in advocating and assisting in ensuring that this project goes forward. They have indicated a willingness to work closely with the Foundation and staff as the project progresses.

**9-1-1 Service Fee**

Palo Alto, along with the other cities within Santa Clara County, is reviewing the feasibility of an ordinance that would impose 9-1-1 service fees. The City of San Francisco has had 9-1-1 service fees in place for nine years to subsidize the construction of a new 9-1-1 Communications Center. The County of Santa Cruz and the Cities of Santa Cruz and Watsonville have recently adopted similar ordinances. Under these ordinances, local telephone subscribers are required to collect fees from customers and remit to the cities. Staff is working with other Santa Clara County agencies to determine the fiscal and legal impacts of imposing such a fee. Revenue from a 9-1-1 service fee may possibly be used to finance the construction of the 9-1-1 Communications Center portion of the public safety building.
RESOURCES IMPACT

At this time, no additional funds will be required for the schematic design phase. Staff will be requesting an additional $75,000 from the Infrastructure Reserve for additional staff support for the project.

POLICY IMPLICATIONS

This direction is consistent with prior Council direction.

ENVIRONMENTAL ASSESSMENT

Complete CEQA documentation will be completed as part of the schematic design phase. An Initial Environmental Study will be prepared in conjunction with the initial designs to determine the potential for environmental impacts. If no unmitigated impacts are found, it would be appropriate that a Mitigated Negative Declaration be prepared.

ATTACHMENTS

CMR:314:02

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