

From: [Tran, Joanna](#)
To: [Council, City](#)
Cc: [Kamhi, Philip](#); [Harper, Paul](#); [Deschamps, Jessie](#); [Executive Leadership Team](#); [ORG - Clerk's Office](#)
Subject: Council Consent Agenda Question for November 1: Item 11
Date: Thursday, October 28, 2021 6:07:20 PM

 CITY OF PALO ALTO Council Consent Agenda Responses

Dear Mayor and Council Members:

On behalf of City Manager Ed Shikada, please find below the staff response to a question made by Councilmember Cormack regarding the [Monday, November 1 Council Meeting](#) consent agenda item:

Item 11, Approve Modifications to the University Avenue and California Avenue Parking Policy to Expand Eligibility for City Garage Parking Permits and Update Feeds; Adopt an Ordinance to Amend the FY 2022 Municipal Fee Schedule Increasing Parking Permit Fees; Adopt Three Resolutions Modifying the Downtown, Evergreen Park Mayfield, and Southgate Residential Preferential Parking (RPP) Programs to Reduce Employee Parking in the RPP Districts and Allow for Monthly Employee Permits; and Direct Staff to Develop a Program to Alleviate Parking Requirements in the California Avenue Area (Continued From October 26, 2020).

Councilmember question and Staff response are below:

- 1. **If the projections in Table 7 on page 261 materialize, what can/should any fund balances be used for?**

Answer: Fund balances are usually built up over time to be used for large one-time expenses, such as capital improvement projects or emergency situations that impact the ability to collect revenue, such as the COVID-19 Pandemic that stopped revenue collection for parking. Staff strives to keep revenues in line with annual expenses within each parking program, but as costs like staffing, contract services and miscellaneous operational expenses increase over time for the various parking programs expenses, the fund balances are generally available to fund services provided by the City and have been historically used to cover costs in excess of the annual revenue collected in each program as part of the annual budget process.

Thank you,
Joanna

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