



City of Palo Alto

City Council Staff Report

(ID # 7532)

Report Type: Consent Calendar

Meeting Date: 12/12/2016

Summary Title: Transportation Funding Stakeholder Advisory Committee

Title: Review and Approve Process to Solicit Applications for a Stakeholder Committee to Advise the Council Regarding a Potential Tax and Other Funding Options for Transportation Programs and Projects

From: City Manager

Lead Department: City Manager

Recommendation:

Staff recommends that the City Council approve the process outlined in this staff report to solicit applications for a Transportation Funding Stakeholder Committee. Once appointed, the Committee's charter would be to advise the Council regarding a potential future ballot measure seeking voter approval of a general tax on businesses, as well as other potential funding sources that the City could use to fund transportation programs and projects. To complete their work, the Committee would be asked to explore transportation needs, identify funding requirements, and assist staff with development of a timeline for a potential future ballot measure.

Executive Summary:

At their meeting on October 24, 2016, the City Council reviewed the options, timeline and potential membership of a stakeholder committee to explore priority transportation needs, identify funding, requirements and develop a funding plan. Council had previously expressed the desire to have a balance of business and resident interests, as well as specific organizations including Stanford, Palo Alto Unified School District and several already-formed Transportation Management Associations. Council discussed the process used to form several stakeholder groups including the Infrastructure Blue Ribbon Committee, as well as the SOFA Working Group associated with the Comprehensive Plan as possible models to follow.

The Council directed staff to move forward with the process to form a 16-member committee with specific membership representation outlined in the discussion section below. As part of their direction, Council also tasked the stakeholder committee with both identifying priority transportation projects and also a variety of funding sources including a potential business tax, grants, funding from the VTA tax measures and parking revenues. In addition, the stakeholder committee will be asked to address the

issue of companies such as those in the Stanford Research Park who are already funding programs to reduce commute trips by their employees and how they might be impacted.

Council indicated that some specified organizations would appoint their own representative to the Committee and that the 11 other members would go through an application process similar to the City's other boards and commissions. While Council has expressed the desire to interview each applicant, this may be prohibitively time consuming if there is a large pool of applications and Council may wish to revisit this part of the process following the application period.

The process outlined in this report suggests soliciting applications for 30 days beginning in early December, and broadly publicizing the opportunity to apply. Staff would review and transmit the applications received for the Council's consideration at its January 30, 2017 meeting. At that meeting, Council may decide to interview candidates or use some other procedure to appoint applicants to the Committee. The first stakeholder meeting anticipated to occur within a few weeks after the membership of the Committee is finalized.

Background:

At its meeting on June 27, 2016, the City Council reviewed the results from a second round of polling conducted by Fairbank, Maslin, Maulin, Metz & Associates (FM3) to inform Council's decision about whether to place a local business tax on the ballot for November 2016 or an alternate election timeframe. In addition, the Council reviewed a set of framing issues developed by the Council's Local Transportation Tax Ad Hoc Committee that included:

- Formation of an oversight committee
- Sunset of tax or not
- Estimated revenue generated by measure
- Structure and form of tax
- Relationship among timeframe for election, implementation and collection of revenues
- Potential projects that could be funded by tax proceeds
- Enforcement and other administrative elements and costs
- Impact on traffic congestion of no action/putting measure in place

Regardless of the type and timing of a potential local tax to fund transportation projects, the Ad Hoc Committee was unanimous in its recommendation to the full Council on both the need for a stakeholder committee, as well as having representation from both the business and residential communities.

As part of the motion passed by Council on June 27th, they directed staff to:

A) Consider placing a special tax measure requiring a two-thirds vote on a special election ballot in 2017 and utilize the additional time to refine the proposal, build consensus and address potential concerns about a tax; and

B) If necessary, consider placing a general tax measure requiring a simple majority vote on the November 2018 ballot and utilize the additional time to refine the proposal and build consensus and address potential concerns about a tax; and

C) Create a stakeholder committee to explore priority transportation needs, identify funding requirements and explore various funding options and develop a funding plan. Committee members would include a balance of business and resident interest, ideally include but not limited to Stanford, the Transportation Management Association, Palo Alto Unified School District, residents, Stanford Research Park, Transportation Demand Management Work Group and

D) Direct staff to return with a timeline with activities to plan for a ballot measure and options for structure of the stakeholder committee.

This staff report puts forward the recommended process pertaining to C) and D) above and the formation of a stakeholder advisory committee.

Discussion:

As its October 24, 2016 meeting, the City Council discussed the membership of a stakeholder committee to explore priority transportation needs, funding requirements and a potential business tax ballot measure. A key part of this discussion was the need to balance stakeholders between business and resident interests. Council discussed several previous stakeholder groups as possible models including the Infrastructure Blue Ribbon Committee and the SOFA Working Group. Each of these committees was appointed by Council after a review process. The IBRC stakeholder committee included four Board and Commission members and 15 other members of the community (no alternates). One third of the applicants had been interviewed by each of three separate three-member Council subcommittees. The 15 community members chosen were those who received the most Council votes. Ultimately, two of the 15 did not participate on the IBRC, resulting in the total 17-member committee. For the SOFA Working Group, 14 members and 4 alternates including neighborhood residents, business owners, and representatives of a broad range of Citywide and regional planning interests were appointed to the committee. Under the SOFA process, the Council identified different stakeholder representative groups and applicants applied based on these stakeholder categories. As part of their discussion, Council agreed to follow a similar process for the transportation stakeholder committee. They agreed on a 16-member structure with several specified organizations to be included as outlined below, and to have those organizations appoint their own representative. The stakeholder committee will also include two Ex Officio members from the Planning and Transportation Commission and the City of East Palo Alto.

Membership

The Council directed that the Committee membership criteria be comprised of the following (including at least one representative to be a member of the Chamber of Commerce):

- i. Stanford Research Park Transportation Management Association (organization selection)
- ii. Palo Alto Downtown Transportation Management Association (organization selection)
- iii. Stanford Healthcare (organization selection)
- iv. Stanford Shopping Center (organization selection)
- v. Commercial Property Owner
- vi. Small Business Owner from other than the organizations listed above
- vii. Small Business Owner from Downtown
- viii. Medium or Large Sized Business Owner from other than the organizations listed above
- ix. Transit advocate or Expert (preferably a Palo Alto Resident)
- x. Bicycling advocate or Expert (preferably a Palo Alto Resident)
- xi. Non-Profit (preferably a Palo Alto Resident)
- xii. Affordable Housing (preferably a Palo Alto Resident)
- xiii. Palo Alto Unified School District (organization selection)
- xiv. North or South Downtown Resident
- xv. Resident One (not representing other criteria groups)
- xvi. Resident Two (not representing other criteria groups)

Ex Officio Membership

- xvii. Planning and Transportation Commission
- xviii. City of East Palo Alto

Application Process

The Council asked that the stakeholder representatives not appointed directly by an organization follow a similar process to the City's existing boards and commissions. There are 11 positions on the stakeholder committee that would be subject to this process, each with particular expertise or representation criteria.

Attachment A is the application form that will be used to solicit applications for each stakeholder category. Staff will work with business, transportation, nonprofit and community organizations to encourage applications to fill stakeholder positions. Council has initially indicated they would like to interview all of the applicants within each group, similar to the process for boards and commissions. However, with 11 membership positions open, there is the potential that the total applicant pool could be quite large, and individually interviewing each applicant may be prohibitively time consuming. Council may wish to consider reviewing applications and resumes for each stakeholder position and making its membership selection without an individual in-person interview, or using another procedure identified by Council at the January 2017 meeting.

Timeline

If the City Council approves the staff recommendation, application forms will be disseminated starting on December 13, 2016 and accepted until close of business on January 13, 2017. Staff anticipates that Council could review and make their selections for the Committee at the January 30, 2017 Council meeting, or some time thereafter. It is anticipated that the Committee would have its first meeting in the February/March 2017 time period. Council has indicated they would like the Committee to conclude its work and bring back their recommendations to the Council by November 2017.

Resource Impact

This transportation initiative will require substantial City staff time and resources to support the work of the stakeholder committee. Staff resources have not been allocated to this effort as yet, and will likely consist of currently vacant staff positions in the City Manager's office (once filled) and existing staff that would need to be reassigned from other (to be determined) ongoing projects.

Attachments:

- Attachment A: Stakeholder Application (DOCX)

Attachment A

Transportation Initiative and Funding Stakeholder Advisory Committee Application

Name: _____

Address: _____

Cell Phone: _____

____ Home / ____ Office Phone: _____

E-mail: _____

Are you a Palo Alto Resident? ____ **Yes** ____ **No**

Do you have any relatives or members of your household who are employed by the City of Palo Alto, who are currently serving on the City Council, or who are Commissioners or Board Members?

____ **Yes** ____ **No**

Would you be able to attend an initial stakeholder committee meeting in February 2017 and are you available to attend monthly or more frequent meetings throughout 2017? ____ **Yes** ____ **No**

Please check the stakeholder representative category you are applying for (only apply for one):

- Commercial Property Owner _____
- Small Business Owner (10 employees or less) _____
- Small Business Owner in Downtown _____
- Medium or Large sized Business Owner _____
- Bicycling advocate or expert _____
- Transit advocate or expert _____
- Nonprofit experience _____
- Affordable housing experience _____
- Resident – North or South Downtown _____
- Resident One (not member of other category) _____
- Resident Two (not member of other category) _____

Please describe your involvement/experience in community activities, business ownership or subject matter expertise relevant to the stakeholder category you are applying for:

Why are you interested in serving on the Transportation Initiative/Funding Stakeholder Advisory Committee?

How did you learn about the stakeholder committee solicitation?

Email from the City ____

Website _____

Social Media _____

Outside organization _____

Other community member _____

Other: _____