RECOMMENDATION
Direction on the City of Palo Alto’s Community and Economic Recovery efforts including feedback and direction to either continue to prioritize or to begin work on recommended prioritized projects, community engagement strategies, and governance framework for future work.

Should the City Council agree with the recommended prioritization, initial appropriation actions are recommended in order to facilitate continued work through amending the Fiscal Year 2021 Appropriation ordinance for:

a) The Stanford University Medical Center Fund by:
   a. Increasing the transfer to the General Capital Fund from Expansion Cost Mitigation by $150,000; and
   b. Increasing the transfer to the General Capital Fund from Community Health and Safety by $500,000; and
   c. Decreasing the Ending Fund Balance by $650,000.

b) The General Capital Fund by:
   a. Increasing the transfer from the Stanford University Medical Center by $650,000; and
   b. Establishing the University Avenue Streetscape Update project in the amount of $150,000 to support work on University Avenue; and
   c. Increasing the Building Systems Improvements project (PF-01003) by $500,000 to support work on City Facilities related to COVID-19 mitigation.

c) The Fiber Optics Fund by:
   a. Increasing the expense appropriation by $200,000; and
   b. Decreasing the rate stabilization reserve by $200,000.
Per the City of Palo Alto’s municipal code, approval of the above budget amendments requires a two-thirds vote by the City Council.

EXECUTIVE SUMMARY
The City’s work to help the community and local economy recover remains a paramount concern in 2021. Although COVID-19 vaccines are now being distributed at the national, state, and local levels, it remains unclear how long it will take to fully administer them. Accordingly, the timeline and phases through which the City will reach the “next normal” remains unclear, and the rapidly evolving circumstances (including revised guidance from Santa Clara County through refreshed local health orders) continue to constrain the City of Palo Alto’s resources and ability to provide services to the community.

Throughout Fall 2020, the City Council examined strategies for community and economic recovery. The City Council discussed it over multiple weeks, including looking at existing efforts such as “Uplift Local,” convening a panel of experts to discuss national and local trends, local revenue levels, what the future of work may look like, and providing initial reactions to staff’s organization of the ongoing workplan for Community and Economic Recovery.

This report further details the potential workplan across four focus areas: “Manage through the Pandemic,” “Community Wellness and Welfare,” “Focused Business Support,” and “City Priority Initiatives,” through individual work items and seeks feedback from the City Council regarding the prioritization and resource provisioning necessary to accomplish these items. Included in this report is a recommendation to appropriate funding for three specific projects: Fiber to the Home, work on University Avenue and retrofits to City Facilities to ensure they can mitigate the spread of COVID-19 to the greatest extent possible. As this work continues, staff anticipates providing updates on the various work items to the full City Council and meeting with ad hoc groups and standing committees, as appropriate, to ensure progress can continue to be made.

The chart below provides a summary of the four focus areas and specific priorities within each area, discussed with the City Council in December 2020. Staff has developed these priorities based on the City Council discussions and feedback with the assumption that this is the highest and most critical priority for 2021. In order to accomplish the work, kicking off these key work items and continuing to focus on these areas requires these remain the priority. Should the Council wish to identify additional priorities in 2021, this plan will need to be adjusted based on resource needs and availability.
### Manage through the Pandemic

a) Maintaining services while managing daily pandemic needs such as testing, contact tracing, exposures, and other tasks necessitated by COVID-19 is currently the highest need of the City.

b) Continue high-volume public communications and enhanced community engagement on managing through the COVID-19 pandemic to the City and the Community.

c) Ensure the continued safety of employees and visitors in various City facilities and workspaces.

### Community Wellness & Wellbeing

d) Support Community Welfare and Wellbeing through development of a series of community events, presentations, and engagement opportunities.
   - Support and promote childcare programs
   - Provide school-aged youth programs
   - Promote adult and senior wellness programs
   - Build community emergency resilience

### Focused Business Support

e) Continue, and further promote, Uplift Local and other retail supportive strategies.

f) Provide technical support for workplace environmental upgrades to mitigate risks for local businesses.

g) Advance sustainability and electrification goals (i.e. expand electric vehicle (EV) infrastructure).

h) Refine the scope and breadth of the City’s economic support activities.

### City Priority Initiatives

i) Further accelerate Fiber to the Home (FTTH) and pursue expanded community engagement.

j) Support experiences at Downtown and California Ave and redesign these corridors for cars, pedestrians, and bicycle travelers and visitors.

k) Develop remote work staffing models for delivery of services.

l) Continue progress on the Housing Workplan, with a focus on renter protection and affordable housing construction.

In addition to the priorities identified in the recovery plan, other key staff work continues to be underway, which requires continued, significant staff resources including, but not limited to:

- financial monitoring, reporting, and budget development through the Long-Range Financial Report, Proposed Operating and Capital Budgets, and financial and investment reporting;
- serving the community through the Development Center and permitting requests;
- continuing to provide public safety and emergency response 24/7;
- managing community facing programing in parks community services and library services;
- managing labor relations and contracts;
- design and construction of capital projects such as the 101 Highway Bike and Pedestrian Bridge;
- upgrading the City’s website and other technology infrastructure; and
- maintaining and providing for safe bike and pedestrian corridors and parking programs.

Based on the January 19, 2021, Council discussion, staff will incorporate Council input on this framework to prioritize and develop additional scoping of the individual work items shown.
above, including goals, objectives, and timelines for each. In addition, the purpose of the meeting is to discuss the resources necessary to accomplish each item that the City Council wishes to further pursue.

BACKGROUND
Several recent Council conversations on the City’s budget and fiscal forecast, economic status, and COVID-19 pandemic have informed the staff work presented as part of this Council report. The City’s FY 2021 Adopted Budget reflected a reduction in General Fund revenues of $34.6 million which was anticipated due to financial impacts of the COVID-19 pandemic and economic challenges. The Adopted Budget projected a nearly 40-50 percent reduction in major revenue categories such as Transient Occupancy Taxes and Sales Taxes. A balanced budget was adopted with expenses of $197 million, down from $230.8 million in the prior adopted budget, representing a nearly 15 percent reduction in costs and services. This included over a 50 percent reduction in funding for capital investment while freezing 76.5 full-time equivalent (FTE) staffing resources across the City (65 FTE in the General Fund), dropping authorized staffing levels from 1,035 to 958 FTE. In addition, 26.2 FTE in part-time/hourly positions were also frozen, approximately 25 percent of the authorized workforce. The City has reduced service capacity in all areas, ranging from police, fire, and code enforcement to community services and libraries, public works, transportation, and utilities, as well as the administrative services needed to support these functions.

On October 19, 2020, the City Council reviewed and discussed the preliminary Q1 FY 2021 financial status report (City Manager’s Report #11596). This update provided a snapshot in time and projected that revenues citywide were approximately in line with adopted budgeted levels. With the information available at the time and persistent uncertainty as a result of the pandemic, no action was taken. Staff has continued monitoring developments since then. At the time, staff shared a series of upcoming Council actions on the budget, long range financial forecast, and reviewed the preliminary development of a community and economic recovery plan which was expected to be discussed in further detail over upcoming months.

Subsequently, on November 9, 2020 (City Manager’s Report #11702), the City Council reviewed community and economic recovery strategies, such as “Uplift Local,” and other business support activities and testing. Council also discussed options designed to help bolster the local economy, and, in response to the significant impact this pandemic has placed on all communities, including Palo Alto, began discussion of a more comprehensive Community and Economic Recovery framework.

Staff presented and Council discussed key elements of Community and Economic Recovery including:
- a) Assemble and facilitate discussion of major economic forces and trends
- b) Develop analytical tools to evaluate fiscal scenarios
- c) Identify potential City actions to support and accelerate (where possible) local community and economic recovery
The November 30, 2020 and December 7, 2020 study sessions provided a continuation of the City Council's discussions on community and economic recovery, with a look at major economic forces and trends. An expert panel discussed current economic trends, the City’s Sales Tax revenues and impacts, as well as the work from home culture and future. The video from these sessions can be found here: November 30, 2020 and December 7, 2020. This information packed discussion, questions and answer session, and detailed analysis on the City’s major tax revenues and current trends. The presentations also provided valuable insights about emerging trends during this uncertain time to assist in informing and shaping future work as part of this overall strategy.

The purpose of the January 19, 2021 Council discussion is to review the feedback provided by the City Council at these study sessions and provide direction to staff on the priority projects, governance, and engagement strategies to focus the organization’s limited resources during the coming year and beyond. The preliminary framework organized an initial set of priority projects into four focus areas:

PRELIMINARY

These priority areas reflect the work done by other Bay Area institutions, while recognizing the unique characteristics and need in Palo Alto as well as the City’s ability to have positive impacts in the midst of the global forces at hand. The City remains nimble in the current environment where change and uncertainty continue to dominate the evolving circumstances.

DISCUSSION

In order to continue the work on the community and economic recovery plan, staff is bringing forward the following items in order to gain Council input and further direction:

- A distillation of the City Council’s discussion and feedback from the November 30 and December 7 study sessions
- Refined framework of focus areas to identify a comprehensive list of projects, including recommended prioritization of those projects
- Options for Community / stakeholder engagement and governance for the community and economic recovery plan
As the Council reviews these next steps and priorities, staff is seeking discussion and either confirmation of recommended priorities or further direction on the projects identified within the focus areas. Current recommended projects have been prioritized based on both project readiness and short- and long-term impacts. As the Council reviews these projects, resource needs must remain at the forefront and staff recommends approaching each project with a framework to ensure it is measurable and the outcome is defined and achievable. Staffing resources citywide have contracted over 7 percent, and more than 11 percent in the General Fund. This corresponds to an equivalent level of service reductions already implemented throughout the organization and the community. As outlined in the City’s FY 2022 Preliminary General Fund Forecast, the City will continue to face extreme fiscal pressures in the near term, further constraining resources.

These pressures emphasize the importance of clearly defining the goals and objectives of each of the work items detailed in this report. One common framework to assist in ensuring we are prioritizing with deliverables and action in mind is the SMART criteria (Specific, Measurable, Actionable, Relevant, and Time-bound). Based on contemporary evolution of such efforts, staff recommends that two more criteria be added to that list: Inclusive and Equitable, which would yield SMARTIE criteria as a template to apply to further discussions. As the City continues its ongoing work on Race and Equity, it is important to ensure that the lenses of inclusivity and equity be applied throughout city processes. This framework is expected to be included as part of the discussion at the City Council’s January 30, 2020 annual retreat and priority setting.

**November and December 2020 Council Discussion and Feedback – Summary**

As discussed above, the City Council heard from a panel of experts on Monday, November 30, 2020, consisting of Dr. Jerry Nicklesburg, Professor Nicholas Bloom, and the City’s Sales Tax consultant, AvenuInsights. Through the panel discussion, the City Council heard not only about the impacts of efforts to contain COVID-19’s spread on the larger economy, but also about specific impacts to the City of Palo Alto’s sales tax base. Although vaccine distribution is now underway, the uncertainty associated with further efforts to contain COVID-19 parallel to that distribution remains. This is evidenced by the most recent Santa Clara County health guidance provided between the November 30th and December 7th City Council meetings, highlighting the rapidly changing nature of efforts to contain the spread of COVID-19.

The City Council offered feedback on the preliminary framework and projects identified in the four elements of the City’s Community and Economic Recovery efforts as well as the governance and community engagement strategies. Overall, the feedback from the City Council offered:

- Managing through the pandemic is the top and core priority the four focus areas identified,
- Additional items to be included in the different elements,
- Consensus that this topic should remain with the City Council, and
- Reinforced the importance of engagement with stakeholders throughout the process.
Individual items and actions are discussed below in the workplan prioritization section below. The City’s ongoing work on this topic will continue to return to the City Council for further feedback and direction, and will include engagement with ad hoc bodies as well as standing committees, e.g. Parks and Recreation Commission (PRC), Architectural Review Board (ARB), the Planning and Transportation Commission (PTC), the Finance Committee (FC), and Policy and Services (P&S) and Utility Advisory Commission (UAC).

**Recommended Community and Economic Recovery Plan Focus Areas and Priority Tasks**

Through the four focus areas, staff has recommended several work items to focus resources on pursuing concurrently. For each focus area, the work items are organized to identify recommended priorities and briefly described in scope, anticipated resources necessary to bring them to completion, timeline, and the relative priority. These are followed by additional ideas and work items discussed or included in the preliminary review with the City Council, however, at this time they will be considered for further action at a later date or emphasis provided in the normal course of current business. Given the unprecedented resource constraints the City is facing, it will be necessary to focus resources to ensure measurable identified outcomes are attained and some of the proposed items that surfaced during the conversation with the City Council may not be able to be pursued immediately.

**Manage through the Pandemic**

As the focus area that the City Council voiced the strongest and most significant support and key area for 2021 priorities, staff has recommended most of all work items in this element continue to be prioritized. The workplan for this focus area includes the following items:

a) *Maintaining services while managing daily pandemic needs such as testing, contact tracing, exposures, and other tasks necessitated by COVID-19 is currently the highest need of the City*

This work requires close communication and coordination among the City Manager’s Office, the Office of Emergency Services, Human Resources, and the entirety of the organization. The volume of work required to maintain services and ensure employee and community safety by remaining in alignment with rapidly shifting health orders cannot be overstated. Even though vaccines are now being distributed throughout the country, state, and county, it remains unclear when they will be widely available and administered. As such, the highest priority of the City, as an organization and community, remains the provision and recalibration of services in the face of COVID-19. The City will continue coordination, to the extent practicable and possible, with other levels of government and elected officials.

b) *Continue high-volume public communications and enhanced community engagement on managing through the COVID-19 pandemic to the City and the Community*

This work has required a fully staffed communications team in the City Manager’s Office and the repurposing of staff resources (on average equivalent to approximately one position) from the Library and other departments in order to support the communication and community engagement needed to inform, engage and support the community through these difficult times. This volume of communication has been especially important
given the rapidly changing circumstances that the community, businesses and community partners have encountered. Guidance from the County evolves constantly, and quickly, and the frequency of the City's communications has enabled it to convey that revised guidance to the community in a consistent, clear, and timely manner. Some focus areas include generating electronic newsletters, additional blogs on key issues and events, new webpages and websites, flyers, signage and printed materials, newspaper ads, news alerts and news releases, FAQs, and other timely communication to the City Council, community, businesses, and community partners. Other efforts include staffing the Community Support Call Center with redeployed resources.

c) **Ensure the continued safety of employees and visitors in various City facilities and workspaces**

The City will continue to examine its options for techniques, interventions, and retrofitting of equipment to mitigate risk to employees and visitors. It is worth noting that, at the moment, City facilities such as Council Chambers, libraries, and other public-facing operations remain closed in compliance with the latest County guidance. The City is actively managing HVAC systems in facilities serving essential functions to comply with CDC and other guidance and is examining retrofitting facilities to provide ongoing improvements in indoor air quality. Staff will pursue any investments necessary during this time to ensure the City is adapting to the evolving County guidance and, once reopening is authorized, facilities are aligned with community needs and safety considerations. In order to provide initial resources for this project and reflect its high prioritization, this CMR recommends appropriating funding of ($500,000) in the Capital Fund from the Stanford University Medical Center (SUMC) Community Health and Wellness Fund to establish a project for City facility environmental upgrades.

**Community Welfare and Wellbeing**

d) **Support Community Welfare and Wellbeing through development of a series of community events, presentations, and engagement opportunities**

This work item would direct staff to develop a series to discuss many of the adapted services available throughout the community providing forums for community engagement and presentations on topics related to health, wellness, and resiliency. This could include presentations by staff, guest speakers, or a panel of experts. Building on past practices of highlighting non-profits throughout the community at a Council meeting and the Library department speaker series, it is expected that this series would provide a reliable frequency of events that enriches the wellness and resilience of the community and highlights the services and its providers that they may avail themselves of. Specific work items staff will prioritize and include in this series include:
- **Support and promote childcare programs**  
  Staff and the Palo Alto Advisory Committee on Early Care and Education Committee, which is an advisory committee to the City, on issues related to childcare and early learning, have been meeting bi-weekly with local childcare provider since the pandemic began. These meetings have given local providers a much-needed opportunity to get crucial information on County and State guidelines, share their operational struggles and successes, seek advice from other providers, and form a sense of community during these challenging times. Details discussed will then be shared with the community through the City’s communications channels. This work will continue through the short-term as the situation continues to evolve.

- **Provide school-aged youth programs**  
  Both the Community Services and Library Departments continue to provide programming and leadership growth opportunities for school-aged youth and teens. While the format of these program offerings has shifted to a virtual model, the range of programs continues to represent academic, creative, social and athletic interests of Palo Alto youth. Staff continues to develop innovative programs for youth, such as a mindfulness program and opportunities for safe outdoor activities.

- **Promote adult and senior wellness programs**  
  Similar to youth programs, the City continues to provide programming for adults. The Library will continue to develop and provide community read events (Palo Alto Reads, Book to Action, and Silicon Valley Reads) and ESL programming for English language learners. These types of events allow the community to virtually meet, connect together, and discuss important topics as well as learn and interact with each other. Staff will continue to explore ways to promote the City’s programming/services to adults, looking closely at opportunities of forming collaborations/outreach with other local groups.

- **Build community emergency resilience**  
  The Office of Emergency Services (OES) continues to coordinate with other agencies and City departments during this ongoing public health emergency. At the same time, the City is preparing for a wide range of other possible threats and hazards; more information on those efforts can be found at www.cityofpaloalto.org/thira. Additionally, the City’s Emergency Services Volunteer (ESV) program continues to grow, providing training to residents, businesses, and other community members. See www.cityofpaloalto.org/emergencyvolunteers for more information on these efforts. Finally, the City is evaluating new technologies to address our evolving budget and personnel constraints, to increase efficiency of identification of, response to, and recovery from various critical incident scenarios. Part of this focus area includes developing a community engagement opportunity for the community to learn and gain tools to be ready for future emergencies and build resiliency, specifically focused on the first few days of an emergency.
Focused Business Support

e) **Continue, and further promote, Uplift Local and other retail supportive strategies**

The City will continue to pursue opportunities to promote local businesses through the “Uplift Local” initiative and facilitate communication among key stakeholders to ensure that concerns can be addressed. This may include things like changes to physical infrastructure (i.e. repurposing University and California Avenues) or encouraging support of local businesses. Actions already attributed to this program include fast-tracked permitting processes, opening of car-free streets in both University and California Avenue business cores, and roundtable meetings with the businesses in these areas to have a continuous dialogue on needs, challenges, and adaptations in alignment with changing health order regulations. These actions include permitted outdoor business activities such as restaurants, retail shops, salons, and fitness and a parklet program. Frequent communication, education and support regarding health order requirements and mandates of local businesses. Staff established a dedicated website to market and promote local businesses to the community and visitors, developed holiday related campaigns to connect the community to business offerings, and has hosted ongoing monthly check-ins with the community to raise concerns, share input and gain updates on this program and other related City initiatives.

f) **Provide technical support for workplace environmental upgrades to mitigate risks for local businesses**

The Utilities Department is currently exploring options for partnering with a contractor that can provide an evaluative service to audit workplace safety of local businesses. This would include examining airflow, air filtration, and other mitigation options for businesses to ensure that they are able to operate while minimizing risk to employees, customers, and visitors.

g) **Advance sustainability and electrification goals (i.e. expand electric vehicle (EV) infrastructure)**

Through the Sustainability Climate Action Plan (S/CAP) conversations with City Council (currently scheduled for a study session in February/March and action later in the year) the City will further refine its goals and strategies to encourage widespread adoption of electric vehicles, including the necessary charger infrastructure to meet the City’s goals. Work to install 27 additional electric vehicle chargers at the Bryant, Cowper, and City Hall Garages has just been completed, and the new California Avenue Garage includes 33 chargers – these installations are part of a goal to install more than 600 ports and chargers throughout the City within three years. The City is actively working to identify and pursue potential grant funding from the state of California for additional chargers – most recently, $290,000 in CALeVIP (California Electric Vehicle Infrastructure Project) grant funding was approved to support installation of Level 3 DC fast chargers in three City garage locations that will support charging by residents living in multifamily residential units.
h) Further refine the scope of the City’s economic support activities
Throughout the conversations in the fall of 2020, the City Council expressed interest in revisiting the economic support function of the City of Palo Alto. As the City Council provides greater direction on what this function could entail staff will be able to respond with options for addressing those concerns. A potential first step in this process could be conducting an economic scan of the City to assess the current economic landscape of the City and options to expedite the economic recovery while also addressing community needs. Accomplishing that task will require additional funding for consulting services.

City Priority Initiatives

i) Further accelerate Fiber to the Home (FTTH) and pursue expanded community engagement
The COVID-19 Pandemic has emphasized the need for a comprehensive Fiber to the Home (FTTH) initiative. Already, staff has accelerated the FTTH business case and fiber expansion plan through a contract amendment with Magellan Advisors (City Manager’s Report #11580). The amendment includes development of a business case and high-level design for FTTH, a local broadband market assessment, exploration of public private partnership business models, and community surveys. Preliminary findings and recommendations are scheduled to be completed by Q2 2021.

Should Council confirm authorizing this project and the appropriation of $200,000 in additional funding, staff will be developing a new customer engagement platform for community outreach and enhanced communications for FTTH initiative. In addition to providing project updates, the platform will enable community stakeholders and members to provide input on key topics under consideration and enable the City to gauge public sentiment for decision making. Communications resources will be needed to further this work; requiring use of authorized budgeted resources including personnel and contracts. In addition, public-private partnership models and partners and/or service providers that the City could engage with to build-out a citywide FTTH. The City is also considering offering a cost-share bundle package of services to residential neighborhoods which includes FTTH, electric undergrounding, and electrification. Project management resources are being explored and additional resources may be needed to ensure successful execution of this major City effort and would be brought back during one of the City’s budget actions.

j) Support experiences at Downtown and California Ave and redesign these corridors for cars, pedestrians, and bicycle travelers and visitors
The City continues to look at options for supporting the two retail cores on University and California avenue through strategies such as the installation of bollards and other means for car-free streets. Initial work involves examining how the City can redefine and narrow vehicular lanes and provide flexible opening and closing of streets on a trial basis in the short term. Additionally, with Council’s direction to prioritize this, staff would begin a full redesign of the University Avenue streetscape to increase vibrancy by expanding pedestrian and outdoor spaces available for use by visitors and businesses while allowing for flexible opening and closing of reduced vehicular lanes. In order to continue work on this project
and reflect its high prioritization, this CMR recommends appropriating funding of $150,000 in the Capital Fund from the Stanford University Medical Center (SUMC) Expansion Cost Mitigation Fund to establish/augment a project and begin design of options for parklets and other reconfigurable spaces in the retail cores to facilitate car-free streets.

**k) Develop remote work staffing models for delivery of services**

The City continues to work on its re-occupancy plans and will maintain alignment of those plan with evolving direction from the County. At the moment, this includes planning through three phases: the current Shelter-In-Place (SIP), the medium-term (including phased reopening), and the longer-term “next normal.” Although the natural inclination might be to return to the pre-pandemic status quo, staff is taking this opportunity to thoughtfully consider what alternatives could look like. This work includes prioritizing the reopening of activities and facilities to align with community expectations and safety needs. Departments will work on individual re-occupancy plans coordinated through an oversight committee consisting of representatives from the City Manager’s Office, Human Resources, Administrative Services, and Public Works. Through this work, the City will identify the sequencing of reopening and re-occupancy and return to the City Council to provide updates as those plans solidify.

**l) Continue progress on the Housing Workplan, with a focus on renter protection and affordable housing construction**

Progress continues on a number of housing initiatives and staff plans to prioritize this new work that is about to begin. The Planning and Transportation Commission is scheduled to offer comments on three draft alternative plan scenarios for the North Venture Coordinated Area Plan (NVCAP) that will be presented to the City Council in the first quarter of 2021. Based on Council direction, environmental and more detailed land use analysis will be prepared. Additionally, work has begun to assemble a team of community stakeholders and consultants to assist staff with the preparation of a new 2023 – 2030 Housing Element for the City’s Comprehensive Plan. This housing cycle will require the City to plan for significantly more housing than in previous housing cycles to meet statewide housing production objectives.

Following up on Council direction, staff will be meeting with local housing advocates and scheduling meetings with the Planning and Transportation Commission to explore the possibility of additional amendments that would facilitate more accessory dwelling unit production in Palo Alto. Work is also expected to begin during the first quarter of 2021 to re-evaluate the housing development impact fee imposed on commercial development. With the assistance of a consultant, the Architectural Review Board and Planning and Transportation Commission, staff work continues to update subjective development standards into clear objective standards. This effort will enable the City to continue to advance high quality urban design principles on development applications that may be subject to streamlined application review processes.
Other work items for consideration for inclusion in the Community and Economic Recovery Plan

The staff and Council identified other areas of interest for consideration as part of this focused Community and Economic Recovery workplan. Many of these items have been transmitted to staff to work to address through the normal course of business, however, overall, it is expected that these areas will be addressed later. As discussed above, given limited resources, a prioritization of efforts is necessary to ensure we can accomplish the goals outlined. Other areas of interest include:

- Completing the Caltrain Grade Separation community planning process;
- studying the generation of sales and use taxes and refining estimates for new “base” level of tax revenues which staff expects to continue to review as part of its financial work;
- pursuing feedback on City Services through Net Promoter Score (NPS) or a similar mechanism;
- expanding the City’s partnership with the Chamber of Commerce;
- examining options for Palo Alto scrip or a similar merchant gift card;
- exploring the creation of an ombudsperson role within the City organization to help businesses (specifically retail) navigate regulations;
- expansion of bicycling and pedestrian friendly streets citywide;
- support for the arts which staff expects to highlight as part of work item d, the series of events for community wellness and wellbeing;
- providing resources for community events through grants;
- modifying community programming through car-based activities (i.e. drive-in) which staff expects to work on as part of work item d, the series of events for community wellness and wellbeing;
- increasing mental health support for the community which staff expects to highlight as part of work item d, the series of events for community wellness and wellbeing; and
- repurposing of existing spaces, such as parking garages, for fitness and dispersing community and commercial activities which staff expects to continue through its work on “Uplift Local” and other retail and business support adaptations these concepts of the repurposing of spaces and adjusting with the changing health orders will continue.
**Governance**

Given the breadth and scope of this work and its critical role in shaping Palo Alto over the coming months, Council directed staff to return to the full Council with updates and additional direction as needed as work on these elements continue. As resource needs solidify, necessary appropriation actions will also be brought forward for City Council approval to ensure that progress towards completing the tasks described above can be achieved. Updates on various work items will be provided as often as practicable and feasible and may be through a variety of channels such as verbal comments during the City Manager’s Updates, information memoranda to City Council, or study sessions and action items at City Council when necessary.

In addition to returning to the City Council as a committee of the whole for updates, engagement with various *ad hoc* groups and standing committees (e.g. Parks and Recreation Commission (PRC), Architectural Review Board (ARB), Planning and Transportation Commission (PTC), Finance Committee (FC), and the Policy and Services (P&S) Committee) is also anticipated. Staff will also work to keep the community informed of progress on these work items, as described in greater detail in the Stakeholder Engagement section of this report.

**STAKEHOLDER ENGAGEMENT**

In various discussions the Council identified several areas for specific stakeholder engagement and enhanced community engagement for specific work items outlined above. A desire to cultivate community leaders including emergency volunteers, and neighborhood leaders to support these recovery efforts is a key priority across all elements of the Community and Economic Recovery Strategy. There is also a separate but related County ambassador program underway and staff will continue to connect into this effort as appropriate to support community engagement during the pandemic. Currently, each prioritized work item is expected to include engagement. For example, Community Welfare and Wellbeing work items will include connecting with our local non-profits and arts organizations, building on community resiliency and other management through the pandemic would engage emergency volunteers, and more. Staff is planning roundtable forums for specific interest areas to allow for two-way communication and feedback on initiatives. Similar to the Race and Equity work, a common hub of information through a central website, regular updates to the City Council and the community, and online and virtual engagement platforms will be used to engage and inform.

In addition, staff is exploring a community leadership council concept or other venue to engage and tap into the City’s existing neighborhood associations and other engaged groups like Cool Block neighborhood blocks, emergency services volunteers. Not only would this provide an opportunity to maximize already established groups and networks and further community welfare and wellness. A broader group such as this is both resource intensive and would require increased responsibility on our community networks but may provide a singular place for engaged citizens and community leaders to tap into for information-sharing and an opportunity for those engaged to share with their networks as a way to connect together during this challenging time.
RESOURCES IMPACT
The City continues to face unprecedented financial constraints. The prudent measures to contain costs in the adoption of the FY 2021 Budget have resulted in significant impacts on service delivery as well as position eliminations, reductions, and freezes. Additionally, the evolving nature of the pandemic has resulted in persistent uncertainty for economic and revenue forecasting, and the City will likely face continued adversity and resource scarcity over the coming years.

As a result of these circumstances, it is imperative that the City prioritize its ongoing work to ensure that the needs of the community remain met to the extent practicable and possible. This Community and Economic recovery workplan will serve as the template for the periodization of services across the different elements for the foreseeable future, from managing through the pandemic in the short- and medium-terms to focusing the City’s efforts on priority initiatives even through the long-term.

This report includes recommendations to appropriate funding for specific projects in three funds, the Fiber Optics Fund for Fiber to the Home and in the General Capital Fund for work on University Avenue ($150,000) and City Facilities ($500,000) through transfers from the Stanford University Medical Center (SUMC) fund. A transfer from the Stanford University Center Medical Fund of $150,000 would come from the expansion cost mitigation funding to establish the University Avenue Streetscape Update capital project to cover the costs of work on University Avenue while $500,000 of funding from the Community Health and Safety funding would increase the Building Systems Improvements capital project (PF-01003) for COVID-19 mitigation at City Facilities. These actions would leave approximately $2 million in each of these allocations in the SUMC fund.

To the extent additional resource are identified and need to be appropriated for other work items, they will be brought forward to City Council for approval. Through the remainder of FY 2021 and the development of the FY 2022 Budget, staff will continue to look for opportunities to reduce costs to align with available resources while minimizing impacts to the community. However, at this stage of resource scarcity it must be noted that every further reduction will constrain service delivery and limit options for meeting community expectations.

ENVIRONMENTAL IMPACT
The action recommended is not a project for the purposes of the California Environmental Quality Act.