



**CITY OF PALO ALTO
CITY COUNCIL
Special Meeting
Monday, May 18, 2026
Council Chambers & Hybrid
5:30 PM**

Agenda Item

3. 2026 Council Priorities & Objectives Q1 Update



City Council Staff Report

From: City Manager
Report Type: CONSENT CALENDAR
Lead Department: City Manager

Meeting Date: May 18, 2026

Report #:2604-6258

TITLE

2026 Council Priorities & Objectives Q1 Update

RECOMMENDATION

That the City Council receive the 2026 Council Priority & Objectives Q1 Update and approve Objective 4.2.4.

BACKGROUND

On March 9,¹ 2026, the City Council discussed and approved the 2026 Priority Objectives, following its January 24, 2026,² retreat in which the City Council adopted the following Priorities:

- Achieve Near-Term Housing Milestones
- Cubberley Acquisition and Renovation Funding
- Enhance Business Vibrancy
- Government Efficiency

A total of 43 objectives within each priority were discussed, with several objectives being supported by the revised and adopted Council Values:

1. Vibrant Community
2. Fiscal Responsibility
3. Accountable Governance
4. Strategic Innovation

¹ March 9, 2026 City Council Meeting:

<https://cityofpaloalto.primegov.com/meetings/ItemWithTemplateType?id=11219&meetingTemplateType=2&comPiledMeetingDocumentId=18769>

² January 24, 2026 City Council Meeting:

<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateId=18520>

5. Shared Prosperity and Housing Leadership
6. Climate Leadership and Environmental Stewardship
7. Community Well-Being & Belonging

The City Council provided feedback on the objectives and requested that staff return with modifications to Objective 36 (renumbered as Objective 4.2.4) on the update to the City's Traffic Calming Policy. This report provides a Q1 update on objective milestones and estimated completion dates.

ANALYSIS

This report focuses on Group 1 objectives, which are categorized as mission-critical, and must be achieved to meet legal, operational, safety, or strategic requirements. Objectives in this group require City Council engagement. Progress on Council Priorities is measured by the accomplishments of its subset objectives and reported on a calendar quarterly basis. Calendar Q1 spans the months January through March 2026. A summary table of all 43 objectives is listed in Attachment A, including an estimated completion date, which is also measured in calendar quarters. A narrative on each objective update is found in Attachment B, it includes: Project Description- Describes overall project goals and outcomes.

2026 Milestone- Describes activities and outcomes planned for the calendar year as some projects are multi-year in length and are broken up into phases.

Project Status-

- **Completed** - Project as described in the 2026 milestone is overall complete, though some minor/non-substantive follow-up may still be needed.
- **On-Track**- Project is expected to be completed as specified. Any changes in project scope or timing due to Council direction or action will remain labeled On Track with the new estimated timeframe.
- **Behind** - The project estimated completion date may be delayed due to operational issues, capacity constraints (such as vacancies in staffing), or project has not started by the estimated completion date.
- **Hold/Dropped** - Project is not actively in progress or will no longer move forward in the current year. Reasons may include the issue is no longer relevant, operational constraints, or is stalled/dropped due to City Council direction.

Estimated Completion - The calendar quarter in which the objective is expected to be completed.

Department Lead - Identifies the lead department and project manager responsible for coordinating progress.

Quarterly Update - a brief progress update on the project describes work reflected in the respective calendar quarter. Any delays or project issues will be reflected in this section.

To date, of the 43 Council objectives supporting Council priorities, in the first quarter, a total of 2 (5%) have been completed, 41 (95%) are on track with new Council direction, no objectives are behind schedule, and none are on hold.

Traffic Calming Policy Objective

During its March 9 meeting, Council provided feedback that staff return with modifications to Objective 36, renumbered as Objective 4.2.4, on the update to the City's Traffic Calming Policy.

- Explore options to streamline delivery of low-cost, high-value (aka quick build) traffic safety improvements and update the City's Traffic Calming Policy to align with Safety Action Plan, Bicycle/Pedestrian Transportation Plan (BPTP) and Safe Routes to School.

Council requested that staff provide more momentum this year on outcomes, as the objective as written focused too much on reviewing and exploring options. The revised language now reads:

Objective 4.2.4

Streamline delivery of low-cost, high-value (aka quick build) traffic safety improvements including updating the City's Traffic Calming Policy in alignment with the City's Safety Action Plan, Bicycle/Pedestrian Transportation Plan (BPTP), Safe Routes to School and California's Daylighting Law (AB413).

2026 Milestone:

By Q4, Council review of Draft Update to Traffic Calming Policy and curb painting for corner daylighting at 25 intersections along school routes.

An update to the revised objective is included in Attachment B.

FISCAL/RESOURCE IMPACT

City Council approval of Priority Objectives does not have an immediate fiscal impact; however, resources will need to be allocated to implement City Council Priorities. Opportunities to allocate resources to projects include the FY 2027 annual budget process, with adoption scheduled for June 2026. In addition, the City Council may amend the budget throughout the year.

STAKEHOLDER ENGAGEMENT

On March 9, 2026, Council approved the community engagement strategies associated with the 2026 Priorities and Objectives. There are various levels of community engagement and communication strategies to support each project, including internal coordination among City departments. There is a dedicated website for the 2026 and prior years Council Priorities, as well as a dashboard that summarizes progress achieving priorities for the year at

www.paloalto.gov/councilpriorities

ENVIRONMENTAL REVIEW

The Council informational report on this item is not a project as defined by CEQA because the Council review of 2026 Priority Objectives is continuing administrative or maintenance activity. CEQA Guidelines section 15378 (b)(2).

ATTACHMENTS

Attachment A: 2026 Council Priorities and Objectives Summary Table

Attachment B: 2026 Council Priorities and Objectives Q1 Update Summary

APPROVED BY:

Ed Shikada, City Manager

2026 DRAFT CITY COUNCIL PRIORITIES AND OBJECTIVES

Priority #						OBJECTIVES (43 Total)				Q1	Q2	Q3	Q4	Group #
#	ANPHM	CA&RF	EBV	GE	CC Value #	Sorted by:								
						Council Priority, Group #, estimated completion date, and finally by additional resource needs.								
Achieve Near-Term Priority Housing Milestones (ANTPHM)- 15 Total														
1.1 Housing Code and Zoning Updates														
1.1.1	x					Adopt an updated Accessory Dwelling Unit (ADU) ordinance to comply with State law and implement additional policy alternatives, including increased allowable square footage and condominium conversions, consistent with City Council direction (05.15.23).					x		1	
1.1.2	x					Develop and adopt Objective Development Standards for the South of Forest Area Coordinated Area Plan (SOFA), and present plan amendment options to replace subjective standards with objective standards for Planning and Transportation Commission and City Council consideration, consistent with Housing Element Program 3.7. Explore alignment opportunities with SB 79 work and Downtown Housing Plan.						x	1	
1.1.3	x					Codify the R1/SB 9 interim ordinance by establishing objective development standards and increasing the maximum floor area for SB 9 units from 800 to 1,200 square feet, consistent with Housing Element Program 6.3A, and evaluate implications for R1 and SB 9 projects within the City’s Individual Review Program.						x	1	
1.1.4	x					Conduct and complete a study of short-term rentals and adopt housing and neighborhood preservation regulations that prioritize long-term occupancy, consistent with Housing Element Programs 4.2D–E (anticipates ordinance adoption by July, 2027).						x	1	
1.1.5	x					Adopt zoning incentives and development standards that support innovative housing typologies, including micro-units, intergenerational housing, housing for aging adults, students, and lower-income households, consistent with Housing Element Program 6.5B.						x	1	
1.2 Area Plans and Long-Range Housing Strategy														
1.2.1	x					Select a preferred alternative for the San Antonio Road Area Plan land use and transportation alternatives based on community input and City Council direction.						x	1	
1.2.2	x					Receive Council direction on optional SB 79 implementation strategies and, as appropriate, present scenario Downtown Housing Plan scenarios to Council and initiate environmental review.						x	1	
1.3 Affordable, Supportive, and Publicly Enabled Housing Delivery														
1.3.1	x					Partner with Santa Clara County Housing Authority to achieve construction timeline milestones for the Palo Alto Homekey project (which will provide transitional housing and services for unhoused residents).					x		1	
1.3.2	x					Issue Requests for Information or Requests for Proposals (RFI/P) to develop approximately 218 affordable or workforce housing units on City-owned surface parking lots. (Housing Element Program 1.4A).						x	1	

2026 DRAFT CITY COUNCIL PRIORITIES AND OBJECTIVES

#	ANPHM	CA&RF	Priority			CC Value #	OBJECTIVES (43 Total)	Q1	Q2	Q3	Q4	Group #
			EBV	GE								
			Sorted by: Council Priority, Group #, estimated completion date, and finally by additional resource needs.									
3.1.1			x			Develop a formal business retention/expansion/attraction program focused on supporting existing Palo Alto businesses seeking to diversify the local economy, increase the tax base that pays for essential public services, job creation, support placemaking and special events, and enhance the Palo Alto brand in innovation and entrepreneurship globally.		x				1
3.1.2			x			Adopt an ordinance expanding retail opportunities and strengthening retail resiliency, including refining retail and retail-like definitions and updating the retail preservation ordinance.		X				1
3.2 District Activation and Access Improvements												
3.2.1			x			Implement the California Avenue near-term signage plan replacing the El Camino Real (October 2026) and Oregon Expressway (August 2026) signs—by completing their procurement and installation.					x	1
3.2.2			x			Continue design work on new parking structure in Downtown core (Lot D).					x	1
3.2.3			x			Secure City Council approval for the California Avenue Outdoor Activation Guidelines. These guidelines will be finalized through continued stakeholder engagement that includes a representative mix of business owners and residents and a formal Architectural Review Board (ARB) review.		x				1
Government Efficiency (GE)- 9 Total												
4.1 Fiscal Stewardship and Operational Efficiency												
4.1.1			x			Develop and balance FY 2027 budget by June 30 prioritizing government efficiency, ongoing solutions and balancing fiscal impacts of policies and practices including consultant contracts, downtown parking and general fund subsidies, nonprofit partnerships and revenue enhancements.		x				1
4.1.2				x		Implement a standardized Citywide Consultant Stewardship Framework—covering the lifecycle from the decision to outsource and scope drafting to contract close-out—to develop and manage scope of services and enhanced reporting on use of professional services.				x		1
4.1.3				x		Improve City processes by streamlining approval of revised procurement thresholds and contract authority.				x		1
4.1.4				x		Council support position allocation as a short-term pilot (6-12 months) funded from the Council Contingency fund.				x		1
4.2 Process Modernization and Service Delivery												
4.2.1	x			x		Improve and streamline staff work on homelessness, housing and services for vulnerable residents.				x		1

2026 DRAFT CITY COUNCIL PRIORITIES AND OBJECTIVES

#	ANPHM	CA&RF	EBV	GE	CC Value #	Priority #	OBJECTIVES (43 Total)				Q1	Q2	Q3	Q4	Group #
							Sorted by:								
							Council Priority, Group #, estimated completion date, and finally by additional resource needs.								
4.2.2				x			Leverage the Palo Alto 311 staff working group workplan, vendor support and City Auditor benchmarking advice to improve clarity and timing of constituent response and satisfaction, and enhance staff efficiencies by aligning report categories with constituent expectations, and implementing vendor-proposed 2026 system upgrades—including integrating AI tools.					x	1		
4.2.3				x			Modify the municipal code to remove the requirement for planning entitlement approval (such as architectural review) or compliance with zoning regulations and procedures for capital improvement or other city-initiated projects on publicly owned right of way and land.					x	1		
4.2.4				x			Streamline delivery of low-cost, high-value (aka quick build) traffic safety improvements including updating the City's Traffic Calming Policy in alignment with the City's Safety Action Plan, Bicycle/Pedestrian Transportation Plan (BPTP), Safe Routes to School and California's Daylighting Law (AB413).					x	1		
4.3 Organizational Alignment and Facilities Optimization															
4.3.1				x			Relocate City operations in Utilities and the Development Center back to City Hall in order to reduce rent expense to third party landlords, maximizing revenue to the General Fund, and consolidating property and facility management within City owned land.					x	1		
Council Values- 12 Total															
5.1 Vibrant Community															
5.1.1					3,4		Open 429 Bryant Street Community Center. Complete construction and any necessary partnership agreements to begin La Comida Senior Lunch Program at the facility by end of July, 2026; plan further work for general community center operations concurrently.	x					1		
5.1.2					4		Pursue a natural grass athletic field pilot project to determine the best management practices to enhance playability and durability.					x	1		
5.2 Climate Leadership and Environmental Stewardship															
5.2.1					2		Adopt ordinance updates establishing additional Green Building Standards and Energy Reach Codes.		x				1		
5.2.2					2		Complete 2026 Bicycle and Pedestrian Transportation Plan (BPTP) with City Council adoption of the plan.		x				1		
5.2.3					2		Advance recommendations for the Regional Water Quality Control Plant Biosolids Facility Plan.					x	1		
5.2.4					2		Implement the strategies contained in the 2026-2027 Sustainability and Climate Action Plan Work Plan.					x	1		

2026 DRAFT CITY COUNCIL PRIORITIES AND OBJECTIVES

Priority #						OBJECTIVES (43 Total)					Group #
#	ANPHM	CA&RF	EBV	GE	CC Value #	Sorted by:					
						Council Priority, Group #, estimated completion date, and finally by additional resource needs.					
							Q1	Q2	Q3	Q4	
5.2.5					2	Develop and recommend for Council approval a multi-year grid modernization capital improvement plan focused on improving reliability and facilitating city-wide customer electrification by upgrading sub-transmission, substation, and distribution infrastructure. Issue the first tranche of debt financing in 2026.		x			1
5.3 Community Well-Being & Belonging											
5.3.1					3,4	Execute MOU with Santa Clara County for assignment of clinician to PD Psychiatric Emergency Response Team (PERT) in Jan 2026.		x			1
5.3.2					2	Advance design of Grade Separation projects at Charleston Road, Meadow Drive and Churchill Avenue.				x	1
5.3.3					4	Update the Safety Element and develop an Evacuation Plan pursuant to SB 99, AB 747, and AB 1409.				x	1
5.3.4					3,4	Support Community Mental Health through provision of support for all ages through community partnerships, programs, and initiatives.				x	1
5.3.5					4	Advance Quiet Zones at Palo Alto Avenue, Churchill Avenue, Meadow Drive, and Charleston Road Rail Crossings.				x	1



2026 Council Priorities & Objectives
Q1 Update (January 1- March 31)

5	15	43
Priority	Focus Area	Objective

Overall Summary



Executive Summary

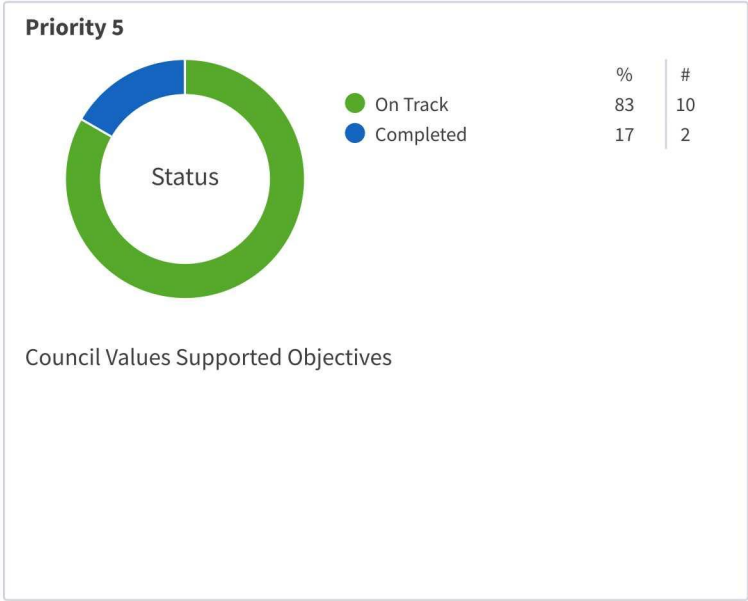
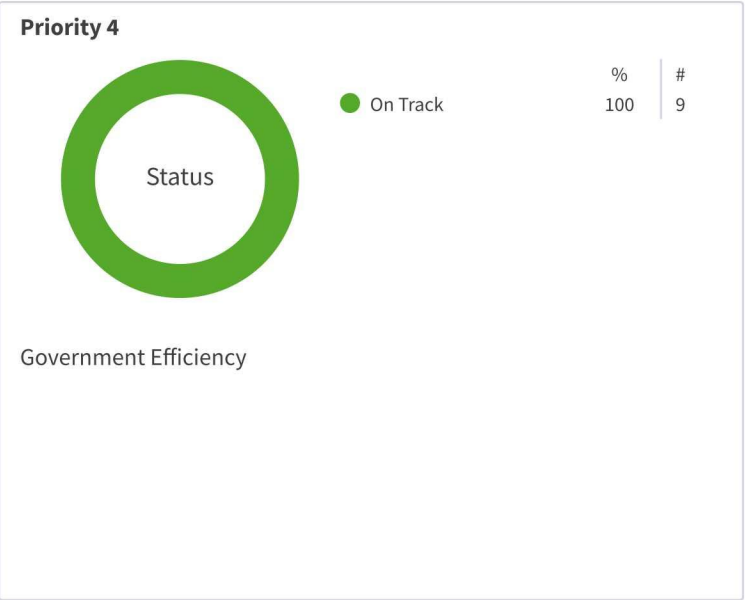
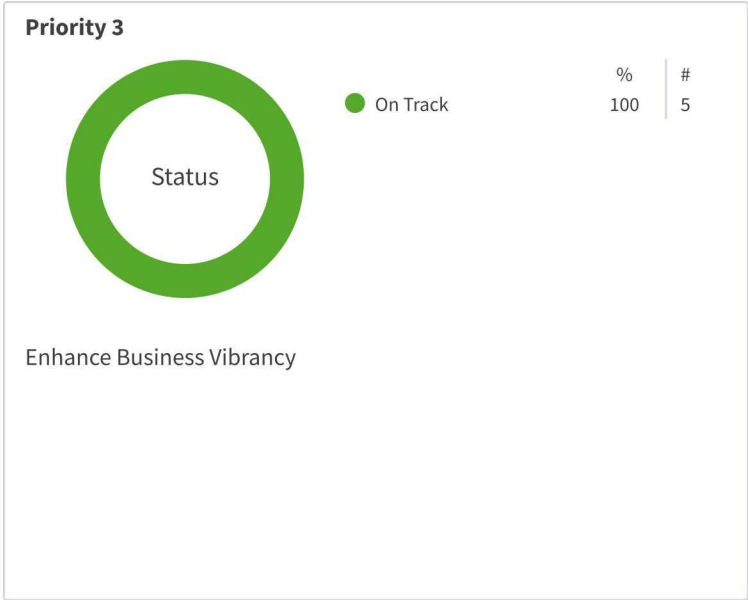
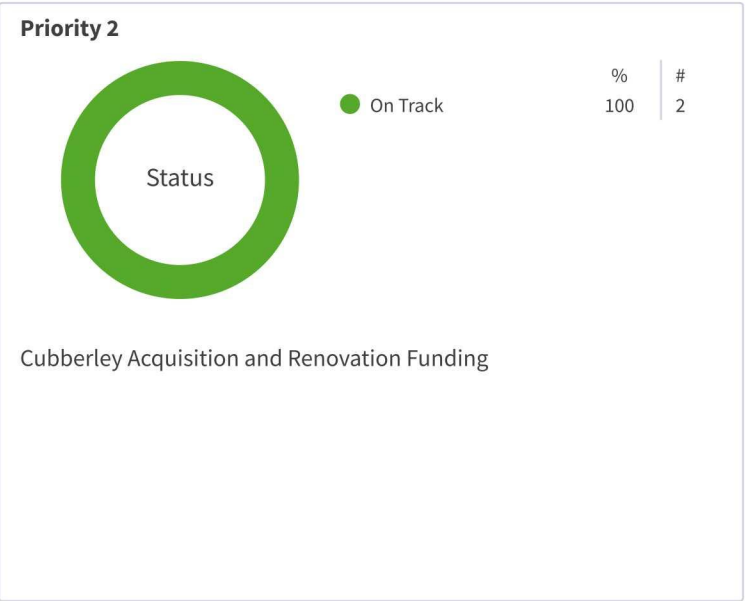
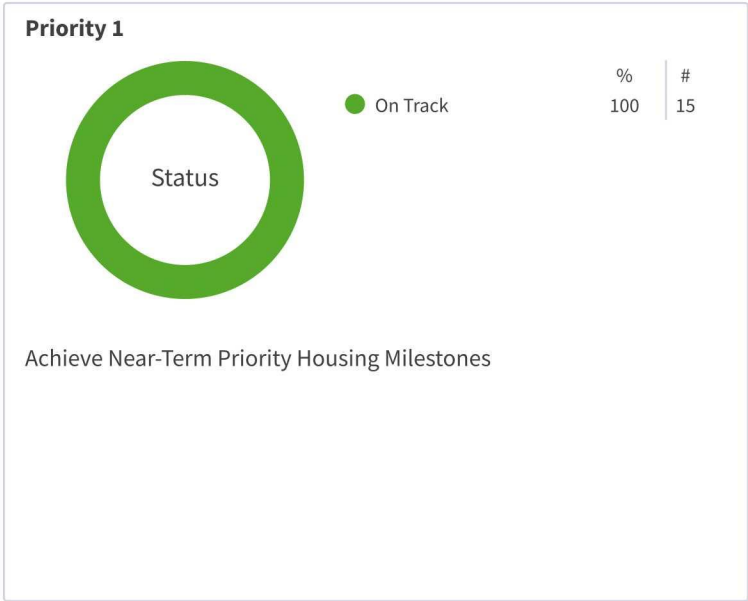
To date, of the 43 Council objectives supporting Council priorities, in the first quarter, a total of 2 (5%) have been completed, 41 (95%) are on track with new Council direction, no objectives are behind schedule, and none are on hold.

The four Council Priorities are:

- Achieve Near-Term Housing Milestones
- Cubberley Acquisition and Renovation Funding
- Enhance Business Vibrancy
- Government Efficiency

Of the 41 objectives, 12 are supported and organized under the City Council's values, listed here as a fifth priority.

Plan Summary



Priority 1

Achieve Near-Term Priority Housing Milestones

Owner: Lupita Alamos

Focus Area: 6

Objective: 15



Focus Area 1.1

Housing Code and Zoning Updates

Owner: Lupita Alamos

Objective: 5



Objective 1.1.1

Jan 01, 2026 - Jun 30, 2026

On Track

Adopt an updated Accessory Dwelling Unit (ADU) ordinance to comply with State law and implement additional policy alternatives, including increased allowable square footage and condominium conversions, consistent with City Council direction (05.15.23).

Owner: Garrett Sauls

Objective Milestone

Planning and Transportation Commission recommendation and City Council consideration of draft ordinance by Q3.

Achievements:

Draft report and ordinance have been prepared; ongoing discussions are planned to ensure prior Council direction is incorporated for Planning and Transportation Commission discussion and recommendation.

Roadblocks:

The project is competing with other ongoing initiatives, with higher priority work taking precedence and resulting in a slight delay.

Next Steps:

Review by the Planning and Transportation Commission is anticipated in Q2, followed by City Council review in Q3.

Objective 1.1.2

Jan 01, 2026 - Dec 31, 2026

On Track

Develop and adopt Objective Development Standards for the South of Forest Area Coordinated Area Plan (SOFA), and present plan amendment options to replace subjective standards with objective standards for Planning and Transportation Commission and City Council consideration, consistent with Housing Element Program 3.7. Explore alignment opportunities with SB 79 work and Downtown Housing Plan.

Owner: Leslie Velasquez

Objective Milestone

Planning and Transportation Commission recommendation and City Council consideration of amended SOFA CAP and/or municipal code amendments by Q4 of 2026.

Achievements:

Staff evaluated the existing design standards and requirements included in SOFA I and II. Sent out call for solicitations in order to hire consultant as technical support.

Roadblocks:

None as of Q1.

Next Steps:

In Q2 staff will select a consultant to provide technical support and prepare for a study session with the PTC; anticipated in early Q3.

Objective 1.1.3

Jan 01, 2026 - Dec 31, 2026

On Track

Codify the R1/SB 9 interim ordinance by establishing objective development standards and increasing the maximum floor area for SB 9 units from 800 to 1,200 square feet, consistent with Housing Element Program 6.3A, and evaluate implications for R1 and SB 9 projects within the City’s Individual Review Program.

Owner: Jennifer Armer

Objective Milestone

Planning and Transportation Commission consideration of draft ordinance in Q3; Council consideration in Q4.

Achievements:

N/A

Roadblocks:

N/A

Next Steps:

Work on this objective is scheduled to begin in Q2 with a hearing before the Planning and Transportation Commission in Q3.

Objective 1.1.4

Jan 01, 2026 - Dec 31, 2026

On Track

Conduct and complete a study of short-term rentals and adopt housing and neighborhood preservation regulations that prioritize long-term occupancy, consistent with Housing Element Programs 4.2D–E (anticipates ordinance adoption by July, 2027)

Owner: Kelly Cha

Objective Milestone

Present policy options to Policy and Service Committee in Q3. As applicable present possible ordinance or findings to the Planning and Transportation Commission and City Council in Q4.

Achievements:

Initiated data collection process to support the City Council study session tentatively scheduled for Q3.

Roadblocks:

N/A

Next Steps:

Continue data collection and analysis in alignment with study session and timeline.

Objective 1.1.5

Jan 01, 2026 - Dec 31, 2026

On Track

Adopt zoning incentives and development standards that support innovative housing typologies, including micro-units, intergenerational housing, housing for aging adults, students, and lower-income households, consistent with Housing Element Program 6.5B.

Owner: Vishnu Krishnan

Objective Milestone

Study session with Planning and Transportation Commission in Q1 and Policy & Services Committee in Q3; recommendations for Architectural Review Board consideration in Q2; Planning and Transportation Commission recommendation and City Council consideration of draft ordinance in Q4.

Achievements:

Staff presented the analysis to the Planning and Transportation Commission on April 08, 2026. The PTC provided direction on the preferred typology of alternative housing and the geographic locations that can accommodate them.

Roadblocks:

N/A

Next Steps:

Present the recommendations to the Architectural Review Board for consideration in Q2. The Planning and Transportation Commission recommendation and City Council consideration of draft ordinance in anticipated to occur in Q4.

Focus Area 1.2

Area Plans and Long-Range Housing Strategy

Owner: Lupita Alamos

Objective: 2



Objective 1.2.1

Jan 01, 2026 - Dec 31, 2026

On Track

Select a preferred alternative for the San Antonio Road Area Plan land use and transportation alternatives based on community input and City Council direction.

Owner: Robert Cain

Objective Milestone

Stakeholder input for alternatives (PTC, community, and advisory bodies') in Q1, Council selection of preferred alternative(s) in Q2, and Council review of policy recommendations in Q4.

Accomplishments:

Developed multiple land use and transportation alternatives for the plan area. Executed comprehensive community engagement, including a workshop, online survey, pop-up event at the Cal Ave Farmers Market, and meetings with various advisory groups and commissions.

Roadblocks:

The accelerated project timeline is challenging for both staff and consultants. Diverse stakeholder perspectives require clear Council direction at timely touchpoints to maintain project momentum and schedule.

Next Steps:

Recommendations will be presented to City Council in Q2 to confirm alignment on the Area Plan, followed by a return in Q4 with further analysis and a request to finalize policy direction.

Objective 1.2.2

Jan 01, 2026 - Dec 31, 2026

On Track

Receive Council direction on optional SB 79 implementation strategies and, as appropriate, Downtown Housing Plan scenarios to Council and initiate environmental review.

Owner: Vishnu Krishnan

Objective Milestone

Work with SB 79 and Downtown Housing Plan City Council Ad-Hoc Committee on next steps in Q1 and Q2; advance SB 79 implementation in 2026 and Downtown Housing Plan based on direction received from City Council for adoption in 2027.

Achievements:

Staff has engaged with the SB 79 / Downtown Housing Plan Council Ad-Hoc during Q1 and Q2 to explore various options for SB 79 implementation and future direction of the Downtown Housing Plan.

Roadblocks:

None at this time.

Next Steps:

A Council discussion will be scheduled in Q2 to deliberate and provide direction on SB 79 implementation and next steps for the Downtown Housing Plan.

Focus Area 1.3

Affordable, Supportive, and Publicly Enabled Housing Delivery

Owner: Lupita Alamos

Objective: 2



Objective 1.3.1

Jan 01, 2026 - Jun 30, 2026

On Track

Partner with Santa Clara County Housing Authority to achieve construction timeline milestones for the Palo Alto Homekey project (which will provide transitional housing and services for unhoused residents).

Owner: Melissa McDonough

Objective Milestone

Formal opening of the Palo Alto Homekey facility at 1237 San Antonio Rd in Q2.

Achievements:

Key construction milestones have been achieved, including the completion of coordination with PG&E for pole removal and AT&T for phone line installation and review of temporary occupancy permit. Landscaping is finalized, and inspections for elevators and rooftop photovoltaic systems are scheduled.

Roadblocks:

Testing of the waste and vent system, initiated due to concerns from another modular site, is underway. Since this test is generally conducted when walls are open, locating the leak is more complex at this stage. The construction team began smoke tests using scented smoke to identify any leaks within the system.

Next Steps:

Once construction activities are completed, there will need to be installation of furniture, fixtures, and equipment. A community celebration and open house is scheduled for May.

Objective 1.3.2

Jan 01, 2026 - Dec 31, 2026

On Track

Issue Requests for Information or Requests for Proposals (RFI/P) to develop approximately 218 affordable or workforce housing units on City-owned surface parking lots. (Housing Element Program 1.4A).

Owner: Julia Knight

Objective Milestone

Review draft RFI/P with Policy & Services Committee by Q3 2026 to issue the solicitation process by year end.

Achievements:

Project initiation anticipated for Q2.

Roadblocks:

N/A.

Next Steps:

Evaluate RFI/P approaches and present options to Policy and Service Committee.

Focus Area 1.4

State Compliance, Housing Capacity, and Grant Competitiveness

Owner: Lupita Alamos

Objective: 2



Objective 1.4.1

Jan 01, 2026 - Jun 30, 2026

On Track

Receive a Prohousing Designation from the California Department of Housing and Community Development in order to enhance the City's competitive advantage for qualifying grants.

Owner: Julia Knight

Objective Milestone

Submit an application to the state department of Housing and Community Development in Q2; receive HCD approval in Q3.

Achievements:

Staff completed a draft application this winter and received technical assistance from HCD. The application is currently being updated based on HCD feedback.

Roadblocks:

There is no established timeline for HCD to review the pro-housing application, which may impact overall timing.

Next Steps:

Upon completion, staff will post the draft application for 30 days, hold at least one public hearing, seek City Council adoption of a formal resolution, and submit the application to HCD in late Q2.

Objective 1.4.2

Jan 01, 2026 - Sep 30, 2026

On Track

Identify and designate additional Housing Element site capacity to maintain RHNA compliance and buffer by evaluating new opportunity sites to address anticipated capacity shortfalls in 2026, including impacts from development on faith-based sites and downtown parking lots.

Owner: Coleman Frick

Objective Milestone

Select technical analysis consultant, Q1; City Council resolution allowing site inventory changes, Q2; identify replacement sites for to meet RHNA requirements, Q3/4; evaluate downtown parking lot and faith-based replacement sites, if necessary, Q4.

Achievements: Staff initiated identification and evaluation of new housing element opportunity sites. Consultant selected in Q1 to provide technical analysis of site suitability for housing development sites. Suitable sites will be considered by staff to meet Regional Housing Need Assessment (RHNA) requirements .

Roadblocks: N/A.

Next Steps: In April 2026 staff will provide the Council with a resolution authorizing the Planning and Development Services Director to make modifications to the Housing Element site inventory to meet state requirements. If approved, staff will continue to analyze potential housing opportunities and update the sites inventory.

Focus Area 1.5

Housing Incentives, Fees, and Market-Activation Tools

Owner: Lupita Alamos

Objective: 2



Objective 1.5.1

Jan 01, 2026 - Dec 31, 2026

On Track

Update and adopt development impact fees for public safety, government facilities, housing, transportation, parks, and community services, including completion of nexus and feasibility studies and establishment of fee waivers for low-income inclusionary units. (Housing Element Programs 2.1B; 3.1B & C).

Owner: Julia Knight

Objective Milestone

Present development scenarios and growth assumptions to Policy and Services for feedback by Q2. Adopt Parks, Library & Community Facility Fee Updates by Q3. Adopt additional fee updates by Q1 2027.

Achievements: Staff kicked-off interdepartmental working group efforts in January and presented a project update to Policy and Services on 4/14/26.

Roadblocks: N/A

Next Steps: Receive and review facilities needs assessments from consultant team and present nexus and feasibility study findings to Policy and Services in Q3.

Objective 1.5.2

Jan 01, 2026 - Jun 30, 2026

On Track

Evaluate opportunities that make multi-family housing an attractive alternative to commercial office development, consistent with Housing Element Program 3.9A.

Owner: Robert Cain

Objective Milestone

Feedback from Policy & Services Committee in Q1 and Q3. Recommend ordinance amendments to City Council in Q4.

Achievements:

Presented policy options to Policy & Services Committee and received direction.

Roadblocks:

NA

Next Steps:

Further explore policy direction provided by Policy & Services Committee, return to the Committee in Q3 for final recommendation before presenting ordinance to City Council in Q4.

Focus Area 1.6

Unhoused Resident and Oversized Vehicle Housing Response

Owner: Lupita Alamos

Objective: 2

	%	#
● On Track	100	2

Objective 1.6.1

Jan 01, 2026 - Sep 30, 2026 On Track

Implement Oversized Vehicles (OSV) Phase 1 work, including options for RV buyback and storage, new recruiting safe parking and enforcement/signage relating to detached/inoperable vehicles prohibition.

Owner: Melissa McDonough

Objective Milestone

In coordination with the OSV Ad hoc, seek Council direction on preferred option(s) on RV buyback and storage in Q2. Implement signage and enforce detached/inoperable vehicles prohibition in Q2. Work with OSV Ad Hoc on recruiting new safe parking and bring

Achievements:

Phase 1 street sweeping and cleaning is scheduled for completion by the end of April. Signage installation and enforcement of detached/inoperable vehicle prohibitions are in progress. Initial research on RV buyback and storage options has been conducted.

Roadblocks:

No roadblocks identified at this time.

Next Steps:

The Oversized Vehicle (OSV) Ad Hoc committee will review the findings from the RV buyback and storage research. The Ad Hoc committee is expected to report back to Council on Phase 1 progress in Q2.

Objective 1.6.2

Jan 01, 2026 - Dec 31, 2026 On Track

Initiate and advance Oversized Vehicles Phase 2 work, including oversized vehicle permit pilot (e.g., collecting count data, designing permit process & terms, conducting informal RFI/Q to operate pilot).

Owner: Melissa McDonough

Objective Milestone

Develop OSV permit pilot, including enhanced services and bring to Council for consideration by Q3. (related to 2025 Objective 3.3.4).

Achievements:

February 23, 2026 Council study session conducted to review OSV Ad Hoc progress and gather feedback on proposed permit pilot concepts.

Roadblocks:

No current roadblocks identified.

Next Steps:

Further development of pilot in collaboration with the OSV Ad Hoc, with the intent to present a recommended course of action to Council in Q2.

Priority 2

Cubberley Acquisition and Renovation Funding

Owner: Lupita Alamos

Focus Area: 1 Objective: 2

	%	#
● On Track	100	2

Focus Area 2.1

Strategies to Support Cubberley Acquisition and Renovation

Owner: Lupita Alamos

Objective: 2

	%	#
● On Track	100	2

Objective 2.1.1

Jan 01, 2026 - Dec 31, 2026

On Track

Continue to advance the Cubberley Project focusing on anticipated purchase of 7 acres from PAUSD and community polling for potential placement of a measure on the November 2026 ballot and other funding source(s).

Owner: Kristen O’Kane

Objective Milestone

Finalize a plan to purchase 7 acres from PAUSD by end of Q2.

Achievements:

Two community polls were conducted in Q1 to inform voter support of a potential ballot measure to fund the project, the Draft Cubberley Conceptual Master Plan and Mitigated Negative Declaration were released for public comment and included presentations to the Parks and Recreation Commission, Planning and Transportation Commission, and Architectural Review Board. Partnerships with community-based organizations were announced.

Roadblocks:

The project continues on a condensed timeline in order to meet specific deadlines for potential placement of a ballot measure in November 2026.

Next Steps:

Prepare a ballot measure for approval. Additional next steps will be determined at the May 18th City Council meeting.

Objective 2.1.2

Jan 01, 2026 - Dec 31, 2026

On Track

Continue to explore and develop partnership opportunities with community nonprofit organizations to advance certain elements of the master concept plan through a combination of city and private investments.

Owner: Kristen O’Kane

Objective Milestone

Continue to explore partnerships and funding opportunities.

Achievements: Partnerships with the Friends of the Recreation Wellness Center, TheatreWorks, Avenidas, Maker Nexus, and Palo Alto Community Child Care have been announced. Staff and the Cubberley Ad Hoc continue to explore and develop these partnerships as the project advances.

Roadblocks: The project continues on a condensed schedule in order to meet certain deadlines.

Next Steps: Staff will bring Letters of Intent to Council for approval at a date to be determined.

Priority 3

Enhance Business Vibrancy

Owner: Lupita Alamos

Focus Area: 2

Objective: 5

● On Track

%
100

5

Focus Area 3.1

Business Development and Business Vitality

Owner: Lupita Alamos

Objective: 2

● On Track

%
100

2

Objective 3.1.1

Jan 01, 2026 - Jun 30, 2026

On Track

Develop a formal business retention/expansion/attraction program focused on supporting existing Palo Alto businesses seeking to diversify the local economy, increase the tax base that pays for essential public services, job creation, support placemaking and special events, and enhance the Palo Alto brand in innovation and entrepreneurship globally.

Owner: Alex Andrade

Objective Milestone

With the Economic Development Ad Hoc Committee, review and solidify for Council approval a Business Retention, Expansion, and Attraction (BRE/A) Strategy with various implementation actions; an initial draft is attached to this staff report in Q2.

Achievements:

The Business Retention, Expansion, and Attraction (BRE/A) strategy workplan has been drafted, and several initiatives are already underway to support the Council's priority of enhancing business vibrancy.

Roadblocks:

None.

Next Steps:

Scheduled for Economic Development Committee review on May 20, 2026 for City Council consideration in June 2026.

Objective 3.1.2

Jan 01, 2026 - Jun 30, 2026

On Track

Adopt an ordinance expanding retail opportunities and strengthening retail resiliency, including refining retail and retail-like definitions and updating the retail preservation ordinance.

Owner: Jennifer Armer

Objective Milestone

PTC review and recommendation in Q1; City Council review and action in Q2. Continued engagement with stakeholders prior to implementation.

Achievements:

Retail Committee review and recommendations on January 22, 2026. Planning and Transportation Commission consideration and recommendation on a draft ordinance on March 25, 2026.

Roadblocks:

None

Next Steps:

Scheduled for Council consideration on May 18, 2026.

Focus Area 3.2

District Activation and Access Improvements

Owner: Lupita Alamos

Objective: 3



Objective 3.2.1

Jan 01, 2026 - Dec 31, 2026

On Track

Implement the California Avenue near-term signage plan replacing the El Camino Real (October 2026) and Oregon Expressway (August 2026) signs—by completing their procurement and installation.

Owner: Holly Boyd

Objective Milestone

By Q3 Oregon Expressway sign will be installed. By Q4 the El Camino Real sign will be installed.

Achievements:

Staff issued an Invitation for Bids in March and received one responsive bid. The contract will be executed in early May and fabrication of signs will begin.

Roadblocks:

None reported.

Next Steps:

None reported.

Objective 3.2.2

Jan 01, 2026 - Dec 31, 2026

On Track

Continue design work on new parking structure in Downtown core (Lot D).

Owner: Holly Boyd

Objective Milestone

Complete entitlement process and design development phase by the end of 2026.

Achievements:

Staff conducted a study session with ARB in December 2025, submitted for formal ARB review in March, and anticipates going to ARB in May 2026.

Roadblocks:

None reported.

Next Steps:

Upon receiving ARB approval, staff will present the planning entitlements and EIR addendum to Council for approval.

Objective 3.2.3

Jan 01, 2026 - Jun 30, 2026

On Track

Secure City Council approval for the California Avenue Outdoor Activation Guidelines. These guidelines will be finalized through continued stakeholder engagement that includes a representative mix of business owners and residents and a formal Architectural Review Board (ARB) review.

Owner: Bruce Fukuji

Objective Milestone

Q1 Stakeholder engagement, Q2 ARB and Council review and consideration.

Achievements:

Completed preparation of Outdoor Activation Standards and Pre-Approved Parklet Plan set. Conducted ongoing outreach to merchants and community members at the Sunday Farmers' Market and up-coming Earth Day event. Completed ARB ad hoc committee engagement on outdoor dining and parklet design, comprised of meeting two times a month over the last 7 months. ARB 5-0 vote to approve recommendation for City Council adoption of Outdoor Activation Standards, permit requirements and Pre-Approved Parklet Plans with Standardized Parklet Designs. ARB provided feedback on Pedestrian Priority Public Space Concept where bikes are allowed.

Roadblocks:

None

Next Steps:

The following events and meetings are planned for Q2:

- April 19 - Earth Day Festival 2026
- April 19 - Evergreen Park Neighborhood Association meeting
- April 21 - Cal Ave merchants meeting
- May 20 - Economic Development Ad Hoc Committee recommendations to City Council
- June 8 - City Council consideration

Priority 4

Government Efficiency

Owner: Lupita Alamos

Focus Area: 3

Objective: 9

Focus Area 4.1

Fiscal Stewardship and Operational Efficiency

Owner: Lupita Alamos

Objective: 4



Objective 4.1.1

Jan 01, 2026 - Jun 30, 2026

On Track

Develop and balance FY 2027 budget by June 30 prioritizing government efficiency, ongoing solutions and balancing fiscal impacts of policies and practices including consultant contracts, downtown parking and general fund subsidies, nonprofit partnerships and revenue enhancements.

Owner: Lauren Lai

Objective Milestone

Q1- Council approval of Long-Range Financial Forecast and FY 2026 Mid-Year. Q2- Develop fee updates for Finance Committee review and Council recommendation. Year-end review of open purchase order balances and associated contracts. Present Nonprofit Partnership Workplan FY 27 Phase I recommendations to Finance Committee and Council. Present FY2027 Budget for Council adoption.

Achievements:

On January 20, 2026, the City Council approved the Long Range Financial Forecast that included the base budget guidelines to address a projected FY27 deficit, staff recommended a multi-year comprehensive budget balancing strategies and made permanent the FY26 budget reductions. The strategies included revenue enhancement, expenditure reduction, CIP reduction, one-time funding, and Section 115 trust (for pension cost and liability). With greater effort on government efficiencies, these strategies yield better outcomes, minimizing community impacts.

On February 23, 2026 the Council approved the FY 2026 Mid-Year Budget Review; and Approve 1) Budget Amendments in Various Funds, and 2) a \$10.0 Million Additional Discretionary Payment (ADP) from the PARS Pension Trust. The Council also consolidate the remaining \$6.0 million in the Uncertainty Reserve with the Budget Stabilization Reserve (BSR) to streamline reserve administration, closing the Uncertainty Reserve.

Roadblocks:

Continued economic and Federal government uncertainty could impact forecast assumptions.

Next Steps:

Continue to broadly monitor fiscal drivers in the development of revenue enhancements and a balanced budget. Work with departments and key stakeholders to develop a FY 2027 balanced budget.

Objective 4.1.2

Jan 01, 2026 - Sep 30, 2026

On Track

Implement a standardized Citywide Consultant Stewardship Framework—covering the lifecycle from the decision to outsource and scope drafting to contract close-out—to develop and manage scope of services and enhanced reporting on use of professional services.

Owner: Meghan Horrigan-Taylor

Objective Milestone

By Q3, implement a standardized and citywide Consultant Management resource and framework to advance efficiencies and best practices from lifecycle of City/consultant interactions such as decision to outsource, scope of services, community engagement, performance tracking and contract closeout. Resources will enhance training, reporting and overall use of professional services citywide.

Achievements:

A study session was conducted with the City Council on October 22, 2025, to review and provide feedback on the proposed process and planned work for developing a citywide consultant management resource. Staff engagement to date has included defining the consultant management lifecycle, implementing practice improvements, and identifying skill and training gaps. As part of the budget process, the City Manager and Administrative Services Department (ASD) led a departmental audit of contract services to identify opportunities for in-house staff support.

Roadblocks:

No roadblocks have been identified at this time.

Next Steps:

Completion of the Consultant Management resource guide, including the development of citywide training and supporting tools.

Objective 4.1.3

Jan 01, 2026 - Sep 30, 2026

On Track

Improve City processes by streamlining approval of revised procurement thresholds and contract authority.

Owner: Lauren Lai

Objective Milestone

Q1- Analyze improvements to the Municipal Code on policy and procedures based upon the Baker Tilly report. Hold focus group discussions on proposed revisions. Q2- Develop revisions to the Muni Code policy and procedures for Council approval. Q3. Develop new processes and systems to implement and manage the new purchasing thresholds and contract authority.

Achievements:

In March the Administrative Services Department held focus group meetings with City departments and the executive team to review purchasing thresholds, which includes P-cards (City issued credit cards) and advise on improvements to the process.

Roadblocks:

Staff has begun to identify policy and system updates however, updating the systems and processes are time consuming.

Next Steps:

Staff is on track to present Municipal Code updates to Council in Q2.

Objective 4.1.4

Jan 01, 2026 - Jun 30, 2026

On Track

Hire a Council half-time limited term support position allocation as a short-term pilot (6 to 12 months) funded from the Council Contingency fund.

Owner: Mahea Ah Yun

Objective Milestone

By Q2, hire a part-time limited term position, non-benefited, to assist the Council such as constituent communication, scheduling and calendar management and other efficiencies.

Achievements:

The position recruitment closed on April 29, 2026 and interviews are tentatively scheduled for May.

Roadblocks:

Hiring success may be a challenge due to the limited term and non-benefit nature of the position.

Next Steps:

Interviews will conclude in May and an offer will be made to the top candidate, for a tentative start in June 2026.

Focus Area 4.2

Process Modernization and Service Delivery

Owner: Lupita Alamos

Objective: 4



Objective 4.2.1

Jan 01, 2026 - Sep 30, 2026

On Track

Improve and streamline staff work on homelessness, housing and services for vulnerable residents.

Owner: Melissa McDonough

Objective Milestone

Centralize in City Manager's Office by Q1, Identify and implement ways to improve processes and reporting (e.g., consolidating contracts, standardizing reporting, HSRAP) by Q3

Achievements:

The Office of Human Services now reports to the Assistant to the City Manager for Housing and Homelessness within the City Manager’s Office. The Human Services team has collaborated closely with other City Manager’s Office staff on the Nonprofit Partnership Plan, with a particular focus on the Human Services Resource Allocation Process (HSRAP) and Emerging Needs grants.

Roadblocks:

No current roadblocks identified.

Next Steps:

Review all HSRAP contracts and associated reporting.

Objective 4.2.2

Jan 01, 2026 - Dec 31, 2026

On Track

Leverage the Palo Alto 311 staff working group workplan, vendor support and City Auditor benchmarking advice to improve clarity and timing of constituent response and satisfaction, and enhance staff efficiencies by aligning report categories with constituent expectations, and implementing vendor-proposed 2026 system upgrades—including integrating AI tools.

Owner: Meghan Horrigan-Taylor

Objective Milestone

By Q4 Implement public facing changes to PaloAlto311 to enhance constituent response and establish citywide response standards.

Achievements:

Enhancements and updates to PaloAlto311 have been implemented, following the establishment of a cross-department working group in fall 2025 supporting constituent response and citywide response. Old requests prior to December 2024 have been closed, new citywide standards increasing constituent follow-up established, and streamlined report types and categories to align community expectations of service requests available and began internal staff user training.

Roadblocks:

Existing platform is old, and staff are exploring options balancing staffing and budget limitations.

Next steps:

Continue cross-department collaboration, monthly tracking and reporting to review and elevate complex issues, monthly staff user trainings; initiate City Auditor benchmarking; and facilitate existing platform upgrades planned this calendar year including new AI features.

Objective 4.2.3

Jan 01, 2026 - Dec 31, 2026

On Track

Modify the municipal code to remove the requirement for planning entitlement approval (such as architectural review) or compliance with zoning regulations and procedures for capital improvement or other city-initiated projects on publicly owned right of way and land.

Owner: Jonathan Lait

Objective Milestone

Present an ordinance to the Planning and Transportation Commission in Q3; City Council review in Q4.

Achievements:

None.

Roadblocks:

None.

Next Steps:

Project initiation in Q2; Planning and Transportation Commission review and City Council action in Q3.

Objective 4.2.4

Jan 01, 2026 - Dec 31, 2026

On Track

Streamline delivery of low-cost, high-value (aka quick build) traffic safety improvements including updating the City's Traffic Calming Policy in alignment with the City's Safety Action Plan, Bicycle/Pedestrian Transportation Plan (BTP), Safe Routes to School and California's Daylighting Law (AB413).

Owner: Sylvia Star-Lack

Objective Milestone

Council review of Draft Update to Traffic Calming Policy, and curb painting for corner daylighting at 25 intersections along school routes in Q4.

Achievements:

Corner daylighting has been incorporated into City repaving and roadway projects. Recruitment for an Associate Engineer to lead the initiative has commenced, and a junior staff member is receiving AutoCAD training in preparation for the program update.

Roadblocks:

No current roadblocks identified as of Q1.

Next Steps:

Proceed with hiring the Associate Engineer and initiate research into best practice programs to inform the update of the existing Traffic Calming program. Work on these initiatives is in progress.

Focus Area 4.3

Organizational Alignment and Facilities Optimization

Owner: Lupita Alamos

Objective: 1



Objective 4.3.1

Jan 01, 2026 - Dec 31, 2026

On Track

Relocate City operations in Utilities and the Development Center back to City Hall in order to reduce rent expense to third party landlords, maximizing revenue to the General Fund, and consolidating property and facility management within City owned land.

Owner: Brad Eggleston

Objective Milestone

Please add milestones

Achievements:

The project was identified as a priority in early 2026. Initial steps included determining staff from the Elwell Court and Development Center spaces that will move to the Civic Center building. Existing office spaces in the Police Building were also inventoried. Public Works and Planning and Development Services staff began discussions about the project scope.

Roadblocks:

No roadblocks have been identified at this time.

Next Steps:

A new capital improvement program has been proposed for the FY 2027 Capital Budget to provide funding for the project. Staff and architectural consultant will work to allocate workgroups to available spaces and plan for completing incremental improvements to prepare spaces for the staff moves.

Priority 5

Council Values Supported Objectives

Owner: Lupita Alamos

Focus Area: 3

Objective: 12



Focus Area 5.1

Vibrant Community

Owner: Lupita Alamos

Objective: 2



Objective 5.1.1

Jan 01, 2026 - Jun 30, 2026

Completed

Open 429 Bryant Street Community Center. Complete construction and any necessary partnership agreements to begin La Comida Senior Lunch Program at the facility by end of June, 2026; plan further work for general community center operations concurrently.

Owner: Kristen O'Kane

Objective Milestone

By Q2 finalize construction and permitting needed to operate the Bryant Street Community Center at full occupancy. Evaluate options for future improvements.

Achievements:

On March 25, 2026, the Bryant Street Community Center received final inspection approval for its construction work. The downstairs Sycamore Room will be occupied by La Comida to host a daily senior lunch program from 10AM-2PM starting May 1. The Teen Space has been cleared for full occupancy, is now fully furnished, and has expanded programming underway. The Bryant Street Community Center will also be available for community classes and rental space.

Roadblocks:

No roadblocks have been identified.

Next Steps:

A grand opening is tentatively scheduled for June 3, 2026.

Objective 5.1.2

Jan 01, 2026 - Dec 31, 2026

On Track

Pursue a natural grass athletic field pilot project to determine the best management practices to enhance playability and durability.

Owner: Ben Heistein

Objective Milestone

Q1 work with the Parks and Recreation Commission (PRC) to develop a workplan for the Turf Pilot. Q2 seek Council approval of work plan and funding. Q3 Conduct enhanced maintenance pilot and feasibility study at two locations. Q4 Conduct stakeholder engage

Achievements:

Q1 Achievements include:

- In collaboration with the PRC, development of a workplan for the Pilot that aligns with Council intent
- Inclusion of the Pilot as a proposed FY27 PRC workplan priority that mirrors and implements the Council Priorities & Objective 5.1.2
- Formation of a PRC Natural Grass Pilot Ad-Hoc Group and holding an Ad-Hoc kickoff meeting in February
- Scoping of required Agronomist services
- Inclusion of the Pilot in the FY27 Proposed CIP Budget as a project entitled "High-Performance Natural Grass Fields" to secure funding for the project.

Roadblocks:

- Limited funding available for the pilot in context of City Budget deficit, limits the overall scope, so the Pilot workplan is phased. Future year phases are contingent on securing external funding
- Condensed Timeline to complete Pilot to inform upcoming FY28 Cubberly Synthetic Turf Replacement Capital decisions is a very high level effort and may be challenging.

Next Steps:

For Q2, next steps include:

- Responding to Council's 4/6 request for additional policy development in the PRC Grass Pilot Work Plan by incorporating an additional task in the PRC workplan
- Secure Council approval of Pilot workplan through the adoption of the FY27 PRC Workplan
- Secure Council approval of funding through the FY27 City budget process
- Secure Agronomist services for the Enhanced Maintenance & Operations portion of the Pilot
- Collect stakeholder feedback on Conceptual Design portion of pilot to inform task scoping

Focus Area 5.2

Climate Leadership and Environmental Stewardship

Owner: Lupita Alamos

Objective: 5



Objective 5.2.1

Jan 01, 2026 - Jun 30, 2026

On Track

Adopt ordinance updates establishing additional Green Building Standards and Energy Reach Codes.

Owner: Julia Knight

Objective Milestone

City Council consideration of ordinance for adoption by June 2026.

Achievements:

Staff continues to monitor the policy landscape to understand strategic opportunities to adopt new Green Building Standards.

Roadblocks:

The statewide working group has not yet produced the materials necessary to implement this priority objective; this may potentially delay project advancement.

Next Steps:

Continue to monitor and initiate local amendments once the statewide working group has completed the requisite analyses.

Objective 5.2.2

Jan 01, 2026 - Jun 30, 2026

On Track

Complete 2026 Bicycle and Pedestrian Transportation Plan (BPTP) with City Council adoption of the plan.

Owner: Ozzy Arce

Objective Milestone

Council review of 2026 Bicycle and Pedestrian Transportation Plan (BPTP) Final Report

Achievements:

Work in progress.

Roadblocks:

None as of Q1.

Next Steps:

Submit the Final 2026 BPTP to PABAC for endorsement on May 7, 2026, followed by presenting the Final Plan to the City Council for adoption on June 1, 2026.

Objective 5.2.3

Jan 01, 2026 - Dec 31, 2026

On Track

Advance recommendations for the Regional Water Quality Control Plant Biosolids Facility Plan.

Owner: Karin North

Objective Milestone

Conduct community engagement, refine and review recommendations with Council Committee in 2026, and further develop implementation strategies in preparation for Council acceptance of the Biosolids Facility Plan in 2027.

Achievements:

Staff conducted a Public Meeting on February 24, 2026, to present and discuss the Regional Water Quality Control Plant's Biosolids Facility Plan recommended alternatives. A separate Measure E wetland/wildlife corridor feasibility assessment was initiated prior to finalizing recommendations regarding potential Measure E site rededication to parkland. Additionally, staff advanced the development of implementation strategies for the recommended alternatives as part of the draft Biosolids Facility Plan report.

Roadblocks:

No roadblocks identified as of Q1.

Next Steps:

Staff will finalize draft recommendations for Biosolids Facility Plan and prepare for the Parks and Recreation Commission meeting in mid-2026. Feedback will be incorporated, and recommendations will subsequently be presented to the Climate Action & Sustainability Ad Hoc Committee in Q3 2026 and to Council for review later in 2026.

Objective 5.2.4

Jan 01, 2026 - Dec 31, 2026

On Track

Implement the strategies contained in the 2026-2027 Sustainability and Climate Action Plan Work Plan.

Owner: Jonathan Abendschein

Objective Milestone

Complete progress on strategies implementation in substantial alignment with the Target Completion Dates contained in the Work Plan.

Achievements: The City Council adopted the 2026-2027 S/CAP Work Plan on March 2, 2026.

Building and Vehicle Electrification: Staff is already working on design and launch of various climate programs and pilots. The "full service" component of the Advanced Home Electrification Pilot Program has been launched, providing fixed price, direct installation services for homeowners for space and water heating (Work Item CA1). Commercial and multi-family programs and pilots are being designed, with goals to launch in Q2 and Q3 2027 (CA4, CA6, CA8, CA11, CA12). Financing programs are being designed for launch, with the timeline still under development (CA2, CA5, CA9). The first discussions about strategies and funding for community-wide electrification, including potential regulatory measures, are starting at the April 17 City Council Climate Action and Sustainability Committee meeting (CA13, CA14). Carbon Neutrality discussions are planned for Q3 2027 (CA15). The City released an RFP for City facility electrification in March 2026 (CA26) and City fleet electrification is ongoing (CA27).

Mobility: Four bicycle and pedestrian infrastructure projects are in progress (CA21). Staff is seeking Council feedback on the Micromobility Feasibility Study Q2 2026 (CA22), and continues to implement the housing element (CA24) and coordinate traffic signal improvements with various transit providers (CA23).

Sustainability: Water efficiency and conservation measures are being implemented and adjusted as needed (S1), with water distribution system adaption measures on track to be completed this year (S3). Sea level rise planning is proceeding (S4-S5), with construction of the horizontal levee underway and on schedule to be completed this year (S6). Implementation of the Foothills Fire Management Plan (S8), tree canopy coverage (S9), and reduction of pesticide use is on-going (S10). The City is developing an EPA-funded green stormwater infrastructure project for Juana Briones Park (S11). Zero waste efforts are continuing, with ongoing public education and outreach initiatives (S14-S16).

Communications: The City's overarching sustainability and climate action communications strategies seek to build community awareness around City goals and progress. Staff presented a status update on Work Plan items C1, C2, and C3 at the April 17, 2026 Climate Action and Sustainability Committee meeting and intends to provide quarterly updates.

Roadblocks: Promotions in 2025 related to retirements among Utilities management led to vacancies among Climate program staff, particularly in the multifamily and single-family space, which may slow program launches as these vacancies are filled.

Next Steps: Staff will continue to implement the 2026-2027 S/CAP Work Plan.

Objective 5.2.5

Jan 01, 2026 - Jun 30, 2026

On Track

Develop and recommend for Council approval a multi-year grid modernization capital improvement plan focused on improving reliability and facilitating city-wide customer electrification by upgrading sub-transmission, substation, and distribution infrastructure.

Owner: Terry Crowley

Objective Milestone

Issue the first tranche of debt financing by end of calendar year 2026

Achievements:

Staff continue to move the proposed capital improvement program for Grid-Mod and other Electric CIPs through the internal approval process.

Roadblocks:

None

Next Steps:

Support proposed CIP through the formal budget approval process, including final approval by the City Council.

Focus Area 5.3

Community Well-Being & Belonging

Owner: Lupita Alamos

Objective: 5



Objective 5.3.1

Jan 01, 2026 - Mar 31, 2026 Completed

Execute MOU with Santa Clara County for assignment of clinician to PD Psychiatric Emergency Response Team (PERT) in Jan 2026.

Owner: James Reifschneider

Objective Milestone

MOU drafted and circulated for signatures by Q1.

Achievements:

MOU approved by City Council and Santa Clara County; clinician has been on-boarded.

Roadblocks:

Securing a clinician from the county was time-consuming but, once assigned, on-boarding was seamless.

Next Steps:

Objective has been completed.

Objective 5.3.2

Jan 01, 2026 - Dec 31, 2026 On Track

Advance design of Grade Separation projects at Charleston Road, Meadow Drive and Churchill Avenue.

Owner: Ripon Bhatia

Objective Milestone

Complete 15% design and select Locally Preferred Alternative for 35% design at each crossing.

Achievements:

On December 15, 2025 City Council has selected the preferred alternatives for the crossings at Churchill Avenue, Meadow Drive, and Charleston Road, and directed staff to further evaluate the hybrid options (earthen berm vs. podium) for Meadow Drive. On March 10, 2026, the Rail Committee reviewed the structural and design considerations for both the earthen berm (retaining wall) and long-bridge (podium) options associated with the Meadow Drive hybrid alternative.

Roadblocks:

Next Steps: Staff is currently advancing the 15% design plans, which are anticipated to be presented to the Rail Committee and City Council for review in Fall 2026.

Objective 5.3.3

Jan 01, 2026 - Dec 31, 2026

On Track

Update the Safety Element and develop an Evacuation Plan pursuant to SB 99, AB 747, and AB 1409.

Owner: Nathaniel Rainey

Objective Milestone

Initiate evacuation plan, Q1; present draft Safety Element amendments to PTC and City Council consideration with final submittal to state for review in Q3; Anticipated evacuation plan completion, Q4.

Achievements:

OES initiated a task order with Tetra Tech to complete the Evacuation Plan. An internal staff planning team has been established to assist with the development of the Evacuation Plan. A kick-off meeting was held on March 23, 2026, and the team has accomplished Task 1 of the 7 tasks outlined in the scope of work. Staff is working with Cal Fire to complete the assessment of the Safety Element for Board of Forestry's review.

Roadblocks:

None.

Next Steps:

Proceed in accordance with our planning roadmap for the evacuation plan; anticipated completion Q4. Upon receiving a conditional approval from the Board of Forestry, staff will present the Safety Element update to the Planning and Transportation Commission for recommendation in Q3. The Safety Element is expected to be reviewed and adopted by the City Council in Q4.

Objective 5.3.4

Jan 01, 2026 - Dec 31, 2026

On Track

Support Community Mental Health through provision of support for all ages through community partnerships, programs, and initiatives.

Owner: Kristen O'Kane

Objective Milestone

Continue work with the Jed Foundation engagement to support youth mental health and suicide prevention efforts.

Achievements:

Work with the Jed Foundation continues along with Project Safety Net and community partners, including holding a series of teen focus groups, community workshops, a community healing session, and trainings.

Roadblocks:

None identified.

Next Steps:

Continue to advance the tasks identified in the Jed contract and support the community.

Objective 5.3.5

Jan 01, 2026 - Sep 30, 2026

On Track

Advance Quiet Zones at Palo Alto Avenue, Churchill Avenue, Meadow Drive, and Charleston Road Rail Crossings.

Owner: Shahla Yazdy

Objective Milestone

Council approval of Notice of Establishment and Quiet Zone implementation at Palo Alto Avenue; and identification of funding and procurement of professional services for design of required improvements to establish Quiet Zones at Churchill, Meadow and Charleston.

Achievements: For Palo Alto Avenue crossing, the approved improvements required for Quiet Zone implementation were completed in January. Following construction, a post-installation review was conducted with FRA, CPUC, Caltrain, and City staff. For Churchill Avenue, Meadow Drive, and Charleston Road crossing. The City Council approved the conceptual plans requiring four quadrant gate systems to implement quiet zone at these crossings in November 2025.

Roadblocks: For Palo Alto Avenue crossing, during the post installation review, FRA identified additional improvements including extension to the median island and signage for implementation. For other crossing, the availability of funding and participation of other agencies will be the key to success.

Next Steps: For Palo Alto Avenue, the additional improvements are now being coordinated and are expected to be completed by end of May. A follow-up review will then be conducted prior to seeking Rail Committee consideration and City Council authorization to submit the Notice of Implementation. For other crossings, Staff is working to procure consultants for the design of required improvements and to secure funding through the upcoming budget process. More recently, during Finance Committee review of the budget, the funding for establishing Quiet Zone including at Churchill Avenue, Meadow Drive, and Charleston Road was now expedited to be scheduled in FY 2027 for design and in FY 2028 for construction from Measure K Funds.